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Labor Union Representation Elections in Georgia

Marie McGrath Libbey

An historical examination of labor union representation elections in Georgia conducted by the National Labor Relations Board (NLRB) between 1967 and 1987 reveals that Georgia employees are more involved in the initial stages of representation activity than the average U.S. worker. These NLRB data show that proportionally more Georgia employees participate in representation elections than the U.S. average. AFL-CIO affiliated unions, are more successful, both within Georgia and nationally, in winning representational rights than are non-AFL-CIO affiliates.

The data used in this article are drawn from annual reports of the National Labor Relations Board for fiscal years 1967-1987. Between FY 1976 and FY 1977, the federal government changed from a July 1 through June 30 fiscal period to an October 1 through September 30 fiscal period. The "orphaned" three- month period between July 1, 1977 and September 30, 1977 has been commonly referred to as the "Transition Quarter." Although all tables and graphs contain data referring to this three- month period, the information is omitted from the analysis.

Changes in the focus of organizing efforts and in the structure of the workforce, particularly in the evolving southern economy, partially may explain the challenges many unions face in attempting to win representation rights. Historically, organizing efforts have focused upon the manufacturing sector, especially in large, machine- oriented enterprises located in the frostbelt region. As the service sectors of both the U.S. and sunbelt economies have grown, the percentage of the workforce dedicated to manufacturing has decreased, resulting in a proportionally smaller percentage of workers coming under collective bargaining agreements. Due to a variety of factors, including job loss through layoff and mechanization, natural attrition, and a failure to recruit new members, many unions have declined in total membership.

As employment opportunities in manufacturing industries have stagnated or declined, many unions have expanded their organizing efforts to include specialized areas of the service sector. For example, a variety of unions have mobilized aggressive organizing campaigns in the health care industry, taking advantage of huge employment increases, historically low wage rates, difficult working conditions and unique health and safety concerns. Other unions have effected mergers, combining organizing staffs and financial resources, resolving long standing jurisdictional disputes and intraunion rivalries in order to expand membership and attract new recruits.

NLRB REPRESENTATION ELECTION RESULTS

Table 1 details the number of representation elections certified by the NLRB in Georgia and the U.S. between 1967 and 1987. Figures 1 and 2 detail union wins and losses, illustrating the general decline in U.S. figures and large–variations in the Georgia profile. For the nation, during the 21 years detailed, the largest number of representation elections, 9,484, was certified in 1977, followed closely by 9,369 in 1973. In Georgia, the number of representation elections fluctuated around the national trend, peaking in 1971 with 216 certifications, dropping continuously until 1975, and rising again to 189 elections in 1979. Beginning in 1980, the number of representation elections declined sharply for both the U.S. and Georgia, reaching low points in 1987.

The critical point for the recent decline appears to have

occurred between fiscal years 1981 and 1982, when total elections dropped 31.9 percent nationally and 45.6 percent in Georgia. Comparing FY 1980 and 1982 , declines of 54 percent and 37.6 percent are observed for the nation and Georgia, respectively.

Examination of the union "win" percentage (Figure 3) illustrates a gentle downward fluctuation for both the U.S. and Georgia after 1967. After the sharp drop between 1967 and 1968, wins by labor representatives in Georgia follow the national trend, with win rates exceeding the national average in 1977, 1980, 1983, and 1986.

Not noted in the tables included in this article, but available in the NLRB annual reports, are data indicating the affiliation of union representation candidates and the number of total individual votes received by each affiliate. The affiliations are delineated by AFL-CIO, Teamsters, other national, and other local unions. Analysis of the data indicates that for each year between 1967 and 1987, except for 1971, unions in Georgia that were affiliated with the AFL-CIO consistently did better than unions not affiliated with this organization.

INDIVIDUAL EMPLOYEE INVOLVEMENT

Tables 2 and 3 show employee involvement in representation elections in Georgia and the nation. 1967 marked a high for the nation, with the total number of affected employees reaching 623,711. By 1981, however, the total had dropped to 449,243. In 1982, the number of eligible voters plummeted 51.3 percent to a total of 297,764; in 1983 this total dropped another 35.2 percent to a low of 209,918 total employees eligible to vote. The Georgia data on total employees eligible vary from the national trend, with fluctuations in the totals and a peak in the number of employees occurring in 1979, after which the number of affected employees drops sharply for four years, levels out 1983 through 1986, and dips again in 1987.

Figure 4 measures the participation rate of eligible employees in representation elections. The data show three distinct periods of comparison between national and Georgia participation rate trends. From 1967 to1978, there is some variability within the data; from the 1977 transition period to 1984, the data points almost parallel each other; and from 1985

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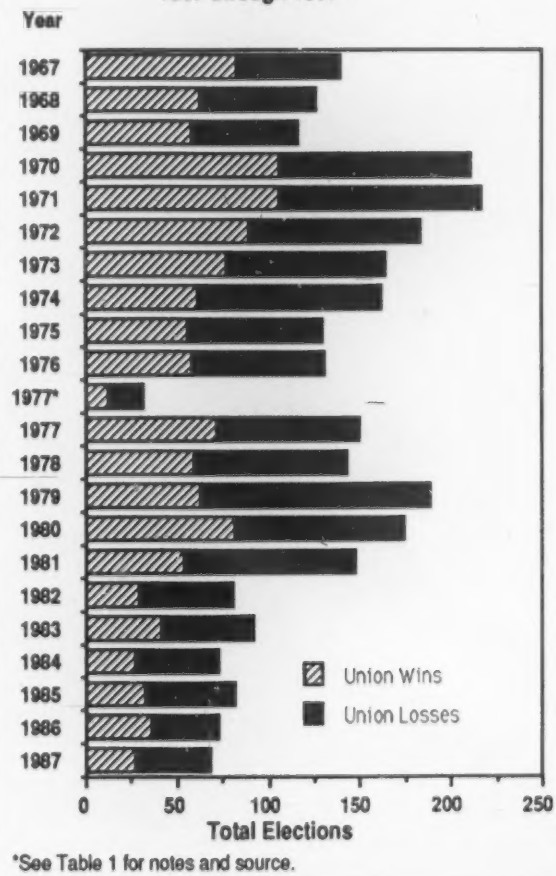
FIGURE 1
NLRB Representation Elections in Georgia, 1967 through 1987



*See Table 1 for notes and source.

TABLE 1

Representation Elections,
Georgia and United States, Fiscal Years 1967-1987**

Year	GEORGIA Total Elections	GEORGIA Representation Chosen	GEORGIA Representation Not Chosen	GEORGIA Percent Choosing Repres.	UNITED STATES Total Elections	UNITED STATES Representation Chosen	UNITED STATES Representation Not Chosen	UNITED STATES Percent Choosing Repres.
1967	139	83	56	59.7	8,116	4,791	3,325	59.0
1968	126	63	63	50.0	7,857	4,495	3,362	57.2
1969	116	58	58	50.0	7,993	4,367	3,626	54.6
1970	211	106	105	50.2	8,074	4,458	3,616	55.2
1971	216	106	110	49.1	8,362	4,445	3,917	53.2
1972	183	89	94	48.6	8,923	4,787	4,136	53.6
1973	164	77	87	47.0	9,369	4,786	4,583	51.1
1974	162	61	101	37.7	8,858	4,425	4,433	50.0
1975	129	56	73	43.4	8,577	4,138	4,439	48.2
1976	131	58	73	44.3	8,638	4,159	4,479	48.1
1977*	31	12	19	38.7	2,277	1,037	1,240	45.5
1977	149	71	78	47.7	9,484	4,363	5,121	46.0
1978	143	59	84	41.3	8,240	3,791	4,449	46.0
1979	189	63	126	33.3	8,043	3,623	4,420	45.0
1980	174	81	93	46.6	8,198	3,744	4,454	45.7
1981	147	54	93	36.7	7,512	3,234	4,278	43.1
1982	80	29	51	36.3	5,116	2,064	3,052	40.3
1983	91	41	50	45.1	4,405	1,895	2,510	43.0
1984	73	27	46	37.0	4,436	1,861	2,575	42.0
1985	82	32	50	39.0	4,614	1,956	2,658	42.4
1986	72	36	36	50.0	4,520	1,951	2,569	43.2
1987	68	27	41	39.7	4,069	1,788	2,281	43.9

* Through fiscal year 1976, the fiscal year was on a July 1- June 30 basis; beginning October 1976 (fiscal year 1977), the fiscal year shifted to an October 1- September 30 basis. The three month period from July 1, 1976 through September 30, 1976 is a separate fiscal period known as the transition quarter.

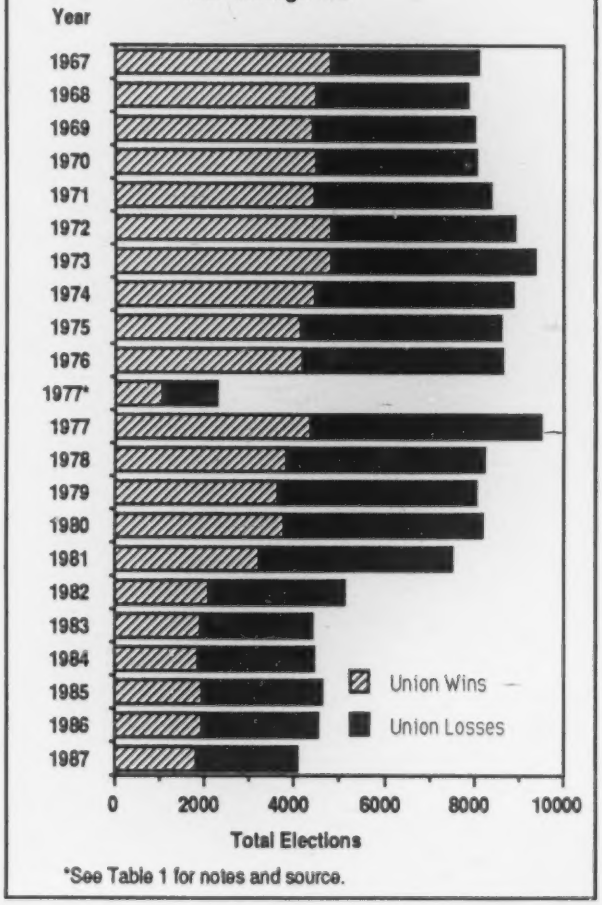
** Elections resulting in certification; includes decertification elections; does not include rerun or runoff elections, or those in which petition was withdrawn or dismissed before certification.

Source: Annual Report of the National Labor Relations Board, 1967 through 1987; Geographic Distribution of Representation Elections Held in Cases Closed, Fiscal Year, Table 15a.

through 1987, the trends run in opposite directions. Except for 1969, Georgia employees have participated in the representation process at a higher rate than the national average. While the national average never exceeds the 89.5 percent rate experienced in 1968, the rate in Georgia dips below the 90 percent participation threshold only seven times between 1967 and 1987. Participation rates on a national level range from a high of 89.5 percent in 1968 to a low of 86.4 in 1983. Georgia's highest rate, 93 percent, was recorded in 1985, and the lowest, 87.9, was recorded in 1971.

Figure 5 highlights the percentage of employees who are represented by a collective bargaining advocate after an election. This is the percentage of total employees in units choosing representation compared to the total number of employees eligible to vote (by year). The percentage of total employees brought under coverage of collective representation includes all the employees in a bargaining unit; the number includes eligible employees who actually voted yes or no in the representation election, those who failed to cast a vote, and those individuals whose votes were invalidated. The effect of a consistently higher participation rate, as well as lower rate of acceptance of union representation, is a reduction in the number of employees drawn unintentionally into a collective bargaining relationship.

FIGURE 2
NLRB Representation Elections in the U.S.,
1967 through 1987



*See Table 1 for notes and source.

DECERTIFICATION

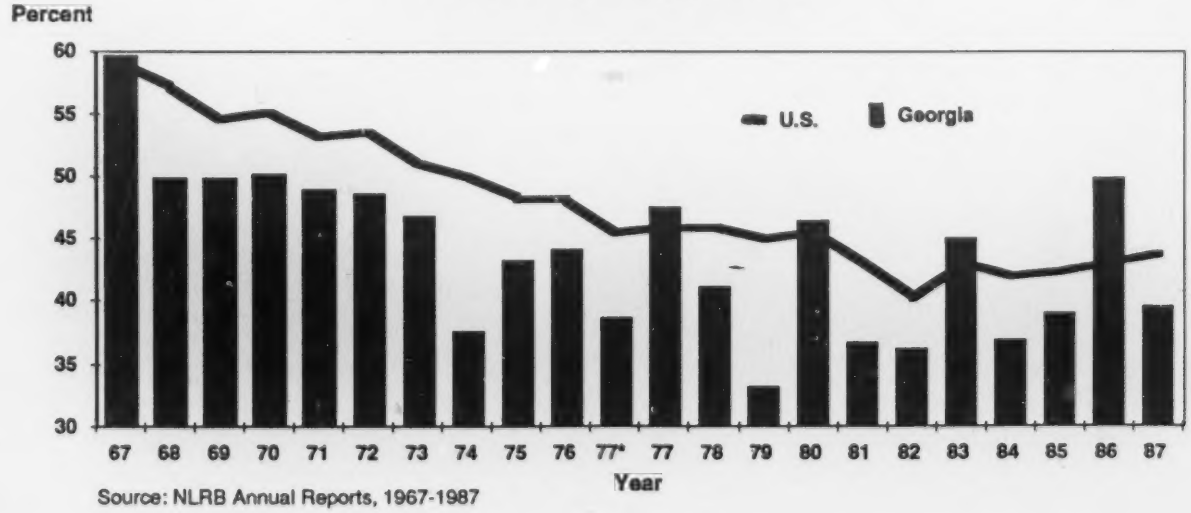
Decertification is a process initiated by employees wishing to withdraw a union's right to represent a specific bargaining unit for purposes of collective bargaining. Decertification follows much the same process as certification, including the collection of a minimum number of signatures, the petitioning of the NLRB to set up an election, and the scheduling of a secret-ballot election. Strict stipulations on the timing of decertification petitions enable both management and union representatives to conduct contract negotiations as well as daily operations in a relatively stable atmosphere.

Between FY1980 and FY1987, there were 6,901 decertification elections in the U.S., representing 16.1 percent of the total 42,870 elections. With an employee participation rate of 87.6 percent, and 2,483,323 eligible voters, unions lost representational rights in 75.2 percent of these elections. The bulk of decertification elections was held in the middle Atlantic states, the heavily industrialized midwestern states, or in California. During this same period, there were 787 representational elections in Georgia, with 105 decertification elections, amounting to 13.3 percent of the total. Ninety percent of the 75,798 Georgian employees eligible to vote participated, decertifying only 58.4 percent of the unions representational rights.

PUBLIC EMPLOYEES

Representation elections and collective bargaining provisions for public employees generally are not covered by the National Labor Relations Act. State and local public employees fall

FIGURE 3
Percentage of Representation Elections
In Which Representation Was Chosen,
United States and Georgia, 1967-1987



Source: NLRB Annual Reports, 1967-1987

TABLE 2

Employee Involvement in Representation Elections, Number and Percentages Georgia, Fiscal Years 1967 through 1987

Year	Total Eligible to Vote	Total Valid Votes Cast	Percent of Total Emps. Voting	Total Valid Votes for Union	Percent Eligible Votes for Union	Percent Valid Votes for Union	Total Valid Votes for No Union	Eligible Emps in units Choosing Representation
1967	18,493	16,937	91.6	8,767	47.4	51.8	8,170	9,975
1968	11,497	10,428	90.7	5,018	43.6	48.1	5,410	4,505
1969	10,437	9,232	88.5	4,950	47.4	53.6	4,282	4,349
1970	19,322	17,260	89.3	8,218	42.5	47.6	9,042	7,671
1971	21,564	18,955	87.9	8,873	41.1	46.8	10,082	8,719
1972	15,930	14,479	90.9	6,713	42.1	46.4	7,766	6,118
1973	14,645	13,207	90.2	6,081	41.5	46.0	7,126	5,901
1974	15,426	13,708	88.9	5,981	38.8	43.6	7,727	3,758
1975	12,991	11,541	88.8	5,049	38.9	43.7	6,492	2,709
1976	11,325	10,094	89.1	4,142	36.6	41.0	5,952	2,777
1977*	3,084	2,871	93.1	1,085	35.2	37.8	1,786	596
1977	11,173	10,137	90.7	4,429	39.6	43.7	5,708	3,427
1978	12,503	11,425	91.4	5,125	41.0	44.9	6,300	4,030
1979	25,425	22,985	90.4	9,449	37.2	41.1	13,536	3,676
1980	17,277	15,710	90.9	7,446	43.1	47.4	8,264	6,386
1981	16,257	14,687	90.3	6,286	38.7	42.8	8,401	3,965
1982	7,915	7,155	90.4	3,095	39.1	43.3	4,060	2,597
1983	5,132	4,520	88.1	2,138	41.7	47.3	2,382	2,036
1984	6,687	6,107	91.3	2,346	35.1	38.4	3,761	1,794
1985	7,739	7,197	93.0	3,187	41.2	44.3	4,010	2,411
1986	9,064	8,264	91.2	3,791	41.8	45.9	4,473	3,160
1987	5,727	5,288	92.3	2,446	42.7	46.3	2,842	1,728

* Through fiscal year 1976, the fiscal year was on a July 1 - June 30 basis; beginning October 1976 (fiscal year 1977), the fiscal year shifted to an October 1 - September 30 basis. The three month period from July 1, 1976 through September 30, 1976 is a separate fiscal period known as the transition quarter.

Source: Annual Report of the National Labor Relations Board, 1967 through 1987; Geographic Distribution of Representation Elections Held in Cases Closed, Fiscal Year, Table 15a.

under the provisions of individually enacted state statutes, and federal employees have been covered by the federal Civil Service Reform Act of 1978. While the data in this article do not address either national or state public employees, growth in government employment and the rise of public employee unions has become a major focus of interest for labor relations and human resource professionals. Over the past 30 years, both national and state public employee unions and associations have grown in size and influence as a result of changed federal and state legislation. The '60s brought dramatic changes in federal labor policy after the election of John F. Kennedy, with individual states passing public employee labor laws in response to changed public opinion and the rising pressures exerted by formally and informally organized public employees. Currently, 40 percent of the states have enacted complete or partial public employee bargaining laws. Unions specializing in public employee representation are among the few showing large membership gains partially because personal service is not overlooked in their agressive organizing approaches.

While many Georgians still are wary of the collective bargaining process, the past three decades of rapid growth have brought considerable demographic change to Georgia's workforce, as well as substantial growth in government employment. In 1960, nonagricultural employment in Georgia totaled 1,051,100, including 186,100 government employees. These individuals represented 17.7 percent of the total nonagricultural workforce in 1960, with federal and state employees comprising 5.9 percent and 11.8 percent, respectively. By 1987, total nonagricultural employment in Georgia had ex-

Unions *continued on page 10*

Retail and Service Business Categories: The Number of Inhabitants per Establishment in Georgia During 1986

Jeffrey M. Humphreys
Judith F. Russell

Identifying potential business opportunities is a major concern to entrepreneurs considering expanding or starting businesses, to venture capitalists seeking profitable investment opportunities, and to communities attempting to strengthen their local economies. Estimates of the number of inhabitants per establishment for specific retail or service business categories can be used as rough indicators of the number of such businesses that a community can support. These estimates provide a low-cost means of targeting "undersupplied" business categories for further analysis. The number of inhabitants per establishment for a specific business category is calculated by dividing the total population of Georgia by the total number of establishments of that type in the state.

The 1986 Georgia population estimate of 6,124,000 used to calculate the number of inhabitants per establishment for retail and service business categories was obtained from *Sales and Marketing Magazine: Survey of Buying Power* (1987). This estimate is based upon statistical projections of the 1980 population figures provided by the *1980 Census of Population*.

The number of establishments in Georgia for each business category was obtained from the U.S. Department of Commerce, Bureau of the Census, *County Business Patterns* (1988 edition). Business category definitions are based on the 1972 revised Standard Industrial Classification (SIC) codes, including the 1977 supplement. The SIC code system was developed for the classification of establishments by the type of activity in which they are principally engaged. An establishment is defined as an economic unit, generally at a single physical location, where business is conducted or where services are performed. It should be pointed out that an establishment is not necessarily identical to an enterprise (company), as an enterprise may consist of one or more establishments (e.g., a fast food company may operate many establishments at different locations throughout the state; each individual fast food restaurant is considered to be a separate establishment, even though they all may be owned by the same parent company).

The accompanying exhibit reports the number of inhabitants per establishment for 127 business categories. The data presented is meant solely to provide a preliminary indication of conditions prevailing in Georgia during 1986. The data should not be used as a guide to business entry or expansion without conducting a more detailed assessment of the community of interest, taking into consideration such factors as the local population, the relative wealth or affluence of the community, or the community's proximity to competing retail centers.

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NUMBER OF INHABITANTS PER RETAIL OR SERVICE ESTABLISHMENT IN GEORGIA (1986)

SIC Code	Business Category	Number of Establishments	Number of Inhabitants/ Establishment
5210	Lumber and other building materials	630	9,721
5230	Paint, glass, and wallpaper stores	222	27,586
5250	Hardware stores	529	11,577
5260	Retail nurseries and garden stores	261	23,464
5270	Mobile home dealers	227	26,978
5310	Department stores	278	22,029
5330	Variety stores	366	16,732
5390	Miscellaneous general merchandise stores	453	13,519
5410	Grocery stores	4,300	1,424
5420	Meat markets and freezer provisioners	173	35,399
5430	Fruit stores and vegetable markets	52	117,769
5440	Candy, nut, and confectionery stores	83	73,783
5450	Dairy products stores	55	111,345
5460	Retail bakeries	236	25,949
5490	Miscellaneous food stores	128	47,844
5510	New and used car dealers	695	8,812
5520	Used car dealers	408	15,010
5530	Auto and home supply stores	1,321	4,636
5540	Gasoline service stations	2,652	2,309
5550	Boat dealers	87	70,391
5560	Recreation and utility trailer dealers	40	153,100
5570	Motorcycle dealers	96	63,792
5610	Men's and boy's clothing and furnishings	429	14,275
5620	Women's ready-to-wear stores	1,280	4,784
5630	Women's accessory and specialty stores	108	56,704
5640	Children's and infants' wear stores	137	44,701
5650	Family clothing stores	510	12,008
5660	Shoe stores	932	6,571
5680	Furriers and fur shops	12	510,333
5690	Miscellaneous apparel and accessories	167	36,671
5712	Furniture stores	1,050	5,832
5713	Floor covering stores	320	19,138
5714	Drapery and upholstery stores	71	86,254
5719	Miscellaneous home furnishings stores	290	21,117
5720	Household appliance stores	221	27,710
5732	Radio and television stores	613	9,990
5733	Music stores	302	20,278
5812	Eating places	7,187	852
5813	Drinking palces	411	14,900
5910	Drug stores and proprietary stores	1,549	3,954
5920	Liquor stores	913	6,708
5930	Used merchandise stores	493	12,422
5941	Sporting goods and bicycle shops	396	15,465
5942	Book stores	227	26,978
5943	Stationery stores	228	51,898
5944	Jewelry stores	626	9,783

(continued)

SIC Code	Business Category	Number of Establishments	Number of Inhabitants/ Establishment
5945	Hobby, toy, and game shops	218	28,092
5946	Camera and photographic supply stores	91	67,297
5947	Gift, novelty, and souvenir shops	548	11,175
5948	Luggage and leather goods stores	35	174,971
5949	Sewing, needlework, and piece goods	249	24,594
5961	Mail order houses	170	36,024
5962	Merchandising machine operators	132	46,394
5963	Direct selling organizations	187	32,749
5980	Fuel and ice dealers	315	19,441
5992	Florists	763	8,026
5993	Cigar stores and stands	19	322,316
5994	News dealers and newsstands	21	291,619
7010	Hotels, motels, and tourist courts	852	7,188
7020	Rooming and boarding houses	19	322,316
7030	Camps and trailering parks	59	103,797
7040	Membership-basis organization hotels	48	127,583
7210	Laundry, cleaning, and garment services	1,405	4,359
7220	Photographic studios, portrait	203	30,167
7230	Beauty shops	1,531	4,000
7240	Barber shops	115	53,252
7250	Shoe repair and hat cleaning shops	65	94,215
7260	Funeral service and crematories	377	16,244
7310	Advertising	436	14,046
7320	Credit reporting and collection	207	29,585
7331	Direct mail advertising agencies	42	145,810
7332	Blueprinting and photocopying	68	90,059
7333	Commercial photography and art	203	30,167
7339	Stenographic and reporduction, nec	126	46,603
7341	Window cleaning	15	408,267
7342	Disinfecting and exterminating	318	19,258
7349	Building maintenance services, nec	635	9,644
7361	Employment agencies	275	22,269
7362	Temporary help supply services	230	26,626
7372	Computer programming and software	295	20,759
7374	Data processing services	171	35,813
7379	Computer related services, nec	152	40,289
7391	Research and development laboratories	42	145,810
7392	Management and public relations	1,057	5,794
7393	Detective and protective services	252	24,302
7394	Equipment rental and leasing	748	8,187
7395	Photofinishing laboratories	112	54,679
7510	Automotive rentals, without drivers	277	22,108
7531	Top and body repair shops	574	10,669
7534	Tire retreading and repair shops	68	90,059
7535	Paint shops	69	88,754
7538	General automotive repair shops	1,161	5,275
7539	Automotive repair shops, nec	591	10,362
7542	Car washes	166	36,892
7620	Electrical repair shops	392	15,622

(continued)

SIC Code	Business Category	Number of Establishments	Number of Inhabitants/ Establishment
7630	Watch, clock, and jewelry repair	40	153,100
7640	Reupholstery and furniture repair	176	34,795
7692	Welding repair	118	51,898
7694	Armature rewinding shops	86	71,209
7813	Motion picture production, except television	12	510,333
7814	Motion picture production for television	28	218,714
7820	Motion picture distribution and services	29	211,172
7830	Motion picture theaters	153	40,026
7910	Dance halls, studios, and schools	88	69,591
7920	Producers, orchestras, entertainers	83	73,783
7930	Bowling and billiard establishments	85	72,047
7992	Public golf courses	23	266,261
7993	Coin-operated amusement devices	70	87,486
7996	Amusement parks	13	471,077
7997	Membership sports and recreation clubs	272	22,515
8010	Offices of physicians	4,317	1,419
8020	Offices of dentists	2,021	3,030
8030	Offices of osteopathic physicians	84	72,905
8041	Offices of chiropractors	450	13,609
8042	Offices of optometrists	300	20,413
8049	Offices of health practitioners, nec	308	19,883
8050	Nursing and personal care facilities	365	16,778
8060	Hospitals	111	55,171
8071	Medical laboratories	118	51,898
8072	Dental laboratories	220	27,836
8080	Outpatient care facilities	317	19,319
8090	Health and allied services, nec	259	23,645
8110	Legal services	2,964	2,066
8360	Residential care	164	37,341
8910	Engineering and architectural services	1,348	4,543
8920	Non-commercial research organizations	28	218,714
8930	Accounting, auditing, and bookkeeping	1,500	4,083

Continued from page 5

TABLE 3

Employee Involvement in Representation Elections, Number and Percentages
United States, Fiscal Years 1967 through 1987

Year	Total Eligible to Vote	Total Valid Votes Cast	Percent of Total Emps. Voting	Total Valid Votes for Union	Percent Eligible Votes for Union	Percent Valid Votes for Union	Total Valid Votes for No Union	Eligible Emps in units Choosing Representation
1967	623,711	554,133	88.8	339,347	54.4	61.2	214,786	357,114
1968	566,164	506,772	89.5	294,305	52.0	58.1	212,467	292,053
1969	592,761	526,419	88.8	306,010	51.6	58.1	220,409	299,979
1970	608,558	531,402	87.3	306,632	50.4	57.7	224,770	318,890
1971	586,155	514,284	87.7	283,839	48.4	55.2	230,445	274,700
1972	591,636	519,477	87.8	297,000	50.2	57.2	222,477	297,127
1973	541,445	480,303	88.7	244,232	45.1	50.8	236,071	233,874
1974	544,331	482,414	88.6	235,296	43.2	48.8	247,118	203,265
1975	568,920	501,996	88.2	248,267	43.6	49.5	253,729	218,281
1976	475,404	418,347	88.0	199,344	41.9	47.7	219,003	173,385
1977*	144,042	126,162	87.6	63,277	43.9	50.2	62,885	57,345
1977	570,716	504,241	88.4	244,764	42.9	48.5	259,477	223,689
1978	471,819	417,563	88.5	199,283	42.2	47.7	218,280	177,256
1979	577,942	506,040	87.6	246,424	42.6	48.7	259,616	212,027
1980	521,602	458,114	87.8	218,757	41.9	47.8	239,357	196,515
1981	449,243	392,157	87.3	184,933	41.2	47.2	207,224	165,232
1982	297,764	257,599	86.5	119,387	40.1	46.3	138,212	103,534
1983	209,918	181,308	86.4	90,370	43.1	49.8	90,938	91,311
1984	249,512	221,023	88.6	114,321	45.8	51.7	106,702	105,919
1985	254,220	224,116	88.2	102,715	40.4	45.8	121,401	91,161
1986	259,239	229,573	88.6	106,461	41.1	46.4	123,112	91,999
1987	241,825	212,479	87.9	102,404	42.3	48.2	110,075	96,384

* Through fiscal year 1976, the fiscal year was on a July 1- June 30 basis; beginning October 1976 (fiscal year 1977), the fiscal year shifted to an October 1- September 30 basis. The three month period from July 1, 1976 through September 30, 1976 is a separate fiscal period known as the transition quarter.

Source: Annual Report of the National Labor Relations Board, 1967 through 1987; Geographic Distribution of Representation Elections Held in Cases Closed, Fiscal Year, Table 15a.

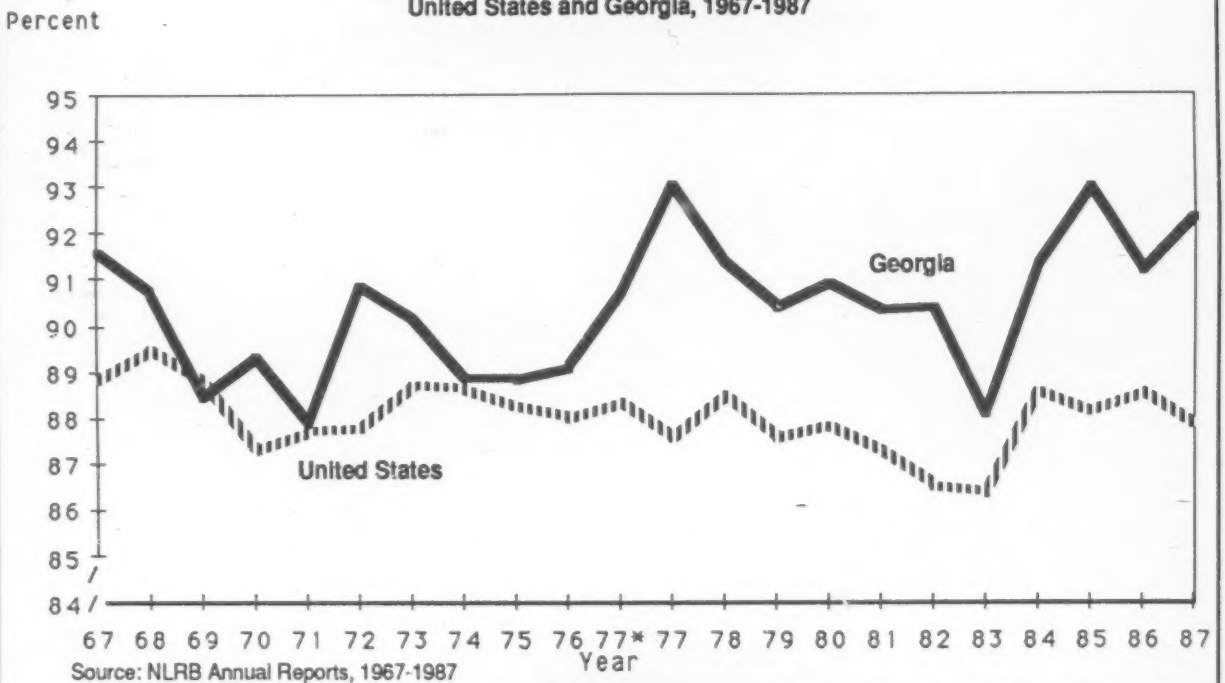
panded to 2,782,000, with government employment amounting to 476,600. Between 1960 and 1987, employment in local and state government has tripled to 377,400 jobs, 13.6 percent of the total.

As a right-to-work state, Georgia joins most of its southeastern sunbelt neighbors (the notable exception being Florida) in legislatively avoiding or denying the issue of public employee bargaining rights, with a single statute allowing firefighters representational rights. Observers also may note the data on migration from states with varying degrees of tolerance toward public employee bargaining. A demographically changed population base may increase public interest and awareness of the existence and extent of public employee bargaining rights within the new Georgia.

CURRENT ISSUES AND TRENDS

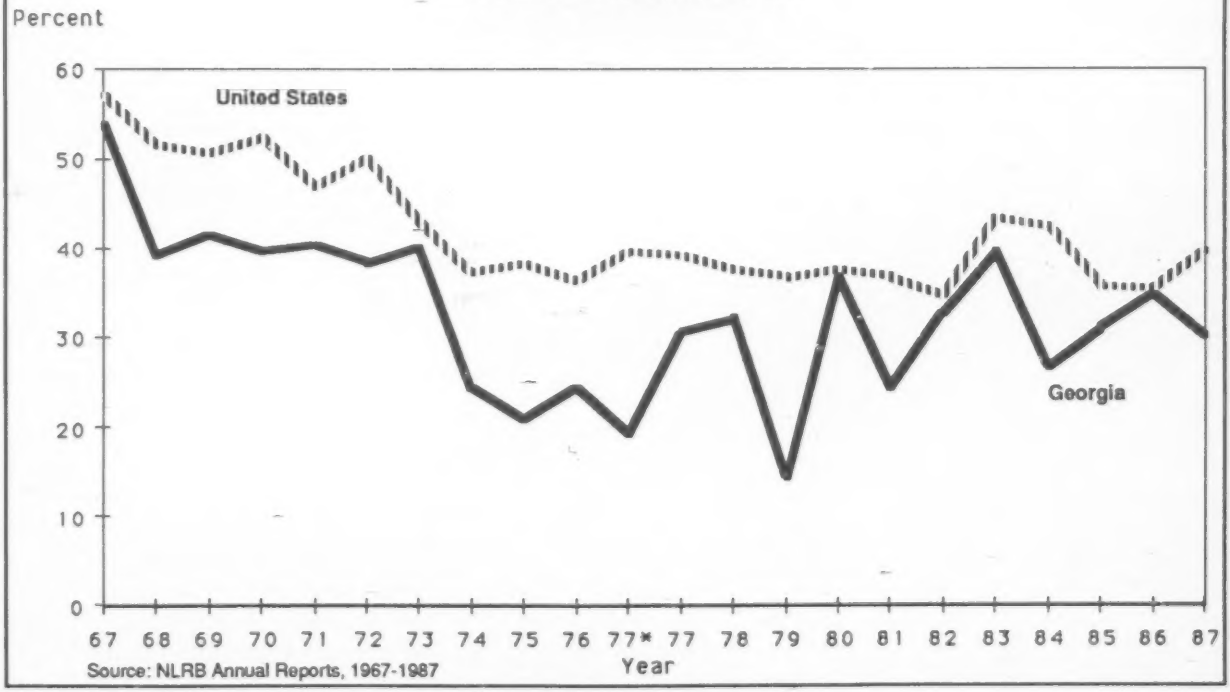
Various academic researchers, as well as business and political leaders, have speculated upon the rationale for the national downturn in organizing elections and declining union membership. Evolving public attitudes, improved human resource management techniques, a changing national and regional economy, and modifications in the labor, employment, civil rights, and occupational health and safety laws have altered the traditional management/labor environment. Labor activity, like many other natural and socio-economic phenomena, runs in cycles. The decreased activity of the '80s has followed the intense and turbulent labor and economic activity of the '60s

FIGURE 4
NLRB Representation Elections,
Total Valid Votes Cast,
as a Percent of Total Employees Eligible to Vote
United States and Georgia, 1967-1987



Source: NLRB Annual Reports, 1967-1987

FIGURE 5
NLRB Representation Elections,
Percent of Eligible Employees in
Units Choosing Representation,
United States and Georgia, 1967-1987



Source: NLRB Annual Reports, 1967-1987

and the '70s. Not surprisingly, the direction the union movement takes in the future depends not only on the decisions of current union leadership, but also upon public policy.

The failure of many national and state policy makers to address public sector collective bargaining in the '70s resulted in massive personnel and labor problems, often affecting the delivery of vital governmental services. Official and legislative neglect of the needs and concerns of public employees resulted in strikes and job actions by postal workers, teachers, police and firefighters, and a variety of service workers. Much private as well as government employee labor unrest can be traced to an inability or unwillingness by management and/or government officials to address the basic economic issues of spiraling inflation and depressed wage levels. A recent article discussing the organization of private sector clerical workers notes the origin of collective bargaining interest and discusses the issues of most importance to employees:

> "...most organizing occurs in response to inquiries from workers. Contrary to the impression given by press reports about a few high visibility clerical locals, "women's issues" are seldom central to to a clerical organizing campaign. Although many clerical organizers are eager to promote such issues as child care or pay equity, private sector clericals do not typically view their workplace concerns from a feminist perspective. In fact, traditional trade union issues predominate in most clerical organizing campaigns. ...Further, as is true for other types of workers, union organizing among clerical workers is most likely to succeed where the workers suffer arbitrary and unfair treatment or economic neglect by management."*

Although Hurd and McElwain address the issue of organizing concerns in winning representational rights for clerical employees in the private sector, this particular quote clearly addresses concerns common to both public and private employees and employers. The changed mix of manufacturing and service employment has forced union attention to turn from traditional organizing grounds and to enter new turf.

INTERNATIONAL TRADE

During the past two decades, long and economically disastrous strikes affecting the steel, auto, rubber, and trucking industries forced both sides of the bargaining table to reexamine the role of labor and collective bargaining under the highly competitive light of international trade and foreign competition. While wages paid in organized industries have been faulted as contributing to non-competitive export prices, many observers noted that American firms have been slow in modernizing production facilities and in introducing technological change. In response to this charge, creative forms of contract negotiation and improvements in day-to-day labor relations activities began to emerge. The Experimental Negotiating Agreement (ENA) in the steel industry, quality circles in the automotive industry, and the implementation of expedited grievance and arbitration procedures worked to ease tensions.

The '80s introduced a new variable into the delicate labor/management equation: foreign interests are increasingly purchasing or building production and manufacturing facilities in the U.S. Many U.S. communities are actively pursing such investment, using a variety of economic incentives in their campaigns. Recent representational elections have brought into question the role organized labor will have in this specialized sector of the economy. As the international business community continues to invest in American resources, how will these new business ventures affect the state and local economies in which they locate, and how dependent are their investment decisions on a desire to avoid collective bargaining?

IS THE SOUTHERN WORKER ANTI-UNION?

Various researchers have questioned the automatic assignment of an anti-union bias to southern workers. Representation election results have been found to depend upon the influence of a variety of factors, including the size of the bargaining unit, the period of time between the petition for an election and the scheduling of the election, legal delays introduced by management, the presence of outside consultants, as well as the particular demographic profile of the unit in question. Any single or weighted combination of these factors may exert more influence on the outcome of the representation election than the simple geographic location of a bargaining unit.

A case in point are assumptions regarding the operations of particular industries. Owners of textile and apparel manufacturing plants often consider relocation in order to avoid or escape from collective bargaining situations. While plant relocation may result in higher productivity and smaller payrolls, this may be due to factors other than a changed collective bargaining relationship. For example, after a relocation decision is made, an employer also may choose to retool production facilities and redesign manufacturing processes, thus introducing more efficient and modern equipment, and usually requiring increased technical sophistication. In such a case, relocation results in not only a different geographic location, but also in increased productivity and a workforce that differs greatly in size and in education from its former one.

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*Richard W. Hurd and Adrienne McElwain, "Organizing Clerical Workers: Determinants of Success," *Industrial and Labor Relations Review*, Vol.41, No.3, (April 1988).

SUMMARY

While representational rights are more difficult to win in Georgia compared to the U.S. average, once a union has won rights in Georgia, there appear to be less risk of facing decertification elections. As the data indicate, Georgian employees are more prone to participate in representational elections than the average U.S. employee. Representation elections may be more difficult to wage in Georgia, but once won, a union may be less apprehensive about maintaining its position as the employees' duly certified representative. As a corollary, management may find it more difficult to influence an employee to reconsider his or her choice once the NLRB has certified a collective bargaining representative.

In order for particular unions and management to survive in the evolving national and regional economies, they must be prepared to cope effectively with changes in the employment structure. The shift of the U.S. economy from manufacturing based to service based brings with it a change in workforce demographics. While the workforce must become more educated and technically sophisticated, it also must include greater numbers of females and racial minorities. The proportion of public employees within the workforce increases each year, with the strength of public employee associations and unions growing dramatically. What U.S. unions and employers do now to cope with these changes and pressures ultimately will influence the course of the next generation of employee relations.

GEORGIA BUSINESS STATISTICS

SERIES	JUNE 1989	MAY 1989	APR 1989	JUNE 1988
Georgia Leading Indicators Index[1] (1969=100)	163.15	170.47	170.66	178.50
Georgia Coincident Indicators Index[2] (1969=100)	599.67	592.49	598.86	603.60
Nonagricultural Employment[2] (thousands)	2,938.3	2,934.2	2,925.9	2,888.2
Manufacturing Employment[2] (thousands)	564.5	567.0	562.5	578.7
Average Weekly Earnings, Manufacturing[2] (dollars)	357.52	353.57	354.90	360.64
Help Wanted Advertising, Atlanta Index[3] (1967=100)	174	226	248	271
Taxable Retail Sales[4] ($ millions)	4,221.3	3,969.6	3,105.3	3,929.0
Building Permits[5]				
Residential Housing Units, Private (thousands)	4.6	4.9	4.0	4.4
Value of Residential Housing ($ thousands)	260,533	293,080	263,252	373,171
Value of Nonresidential Construction ($ thousands)	187,545	184,146	166,599	218,533
Industrial Buildings	9,192	27,690	11,860	20,937
Office, Bank and Other Professional Buildings	24,264	20,830	24,880	26,297
Stores and Other Mercantile Buildings	41,661	48,032	27,125	74,793
Other	112,428	87,594	102,734	96,506
Consumer Price Index[6] (CPI-U, all items)				
South U.S. (1982-84 = 100)	121.7	121.3	120.8	115.6
South/Population more than 1,200,000[a]	122.4	122.0	121.4	116.7
South/Population 450,000 - 1,200,000[a]	123.0	122.4	122.2	116.2
South/Population 50,000 - 450,000[a]	120.4	120.0	119.4	114.6
South/Population Less than 50,000[a]	120.4	120.4	119.4	113.7
Atlanta (1982-84=100)[b]	124.9	–	–	119.1
Prices Received by Farmers, Georgia Index[7] (1977=100)	140[r]	141	135[r]	130
	1989:I	1988:IV	1988:III	1988:II
Total Personal Income[8] ($ millions)	101,643	99,623	96,832	94,859

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[1] Georgia Economic Forecasting Project, Division of Research, College of Business Administration, University of Georgia. Initial monthly values subject to revision.

[2] Labor Information Systems, Georgia Department of Labor.

[3] Series published by The Conference Board, Inc.

[4] Derived by the Division of Research, College of Business Administration, University of Georgia, from data of the Sales and Use Tax System, Georgia Department of Revenue. Data for April and May, 1989 reflect computational changes because of the April, 1989 increase in the state sales tax rate.

[5] U.S. Department of Commerce, Bureau of the Census.

[6] U.S. Department of Labor, Bureau of Labor Statistics, Southeastern Regional Office.

[7] Georgia Department of Agriculture, Georgia Crop Reporting Service.

[8] U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System.

[a] Group size revised as of January 1, 1987; indexes revised to 1982-84=100 base as of January, 1988.

[b] Atlanta index is average of each 6 months of the calendar year; base revised to 1982-84=100 as of January 1, 1988.

[c] Data are for 1st half, 1988, and 1st half, 1989, respectively.

[r] Revised.

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GEORGIA BUSINESS AND ECONOMIC CONDITIONS

Vol. 49, Number 6 THE UNIVERSITY OF GEORGIA November-December 1989

Georgia and the Southeast: Recent Trends in Personal Income

Suzanne A. Lindsay

Total personal income and per capita personal income in both Georgia and the twelve-state Southeast grew at a rate above the national average in 1988, according to revised estimates issued by the U.S. Department of Commerce, Bureau of Economic Analysis. The Southeast's growth of 8.1 percent in TPI and 6.9 percent in PCPI compared well with both national values (7.6 percent and 6.6 percent, respectively) and those of other regions. In TPI, states making up the Rocky Mountains, Plains, Southwest, and Great Lakes regions grew in the aggregate more slowly than the Southeast; PCPI in the same regions plus the Far West lagged Southeastern growth. In absolute values, however, the Southeast's 1988 PCPI of $14,462 surpassed that of the Southwest and Rocky Mountain regions, but remained below both the U.S. average ($16,489) and values for the remaining regions of the country. New England's PCPI of $20,191 led the nation.

The BEA defines total personal income as "...the sum of private and government wages and salary disbursements, other labor income, farm and nonfarm proprietors' income, rental income of persons, personal dividend income, personal interest income, and transfer payments, less personal contributions for social insurance. Personal income is measured before the deduction of personal income taxes and other personal taxes and is reported in current dollars (no adjustment is made for price changes)."

The per capita personal income of an area is the annual total personal income of its residents, divided by the number of residents as of July 1 of the calendar year. Total and per capita *disposable* personal income are more limited concepts, measuring (by subtracting personal tax and certain non-tax payments from total personal income) the income actually available to persons for spending or saving, on an aggregate area (total) or individual (per capita) basis.

THE IMPACT OF REVISIONS

Because annual estimates go through several revisions, beginning with revised U.S., regional, and state estimates issued in August, six months after the preliminary estimates for a calendar year, and continuing annually for the next several years, changes in values should be expected. Successive revisions incorporate data not available during earlier periods, and, approximately every five years, reflect comprehensive revisions of the U.S. National Income and Product Accounts (NIPA). Revisions also may incorporate methodological changes or improved sources. Estimates for MSAs and counties are issued in April but are not revised in August of the first year; they share succeeding annual rounds of revision.

The first revision (from April to August in the first year of issue) of state data often changes dollar amounts, rates of growth, or rankings based on those values relatively more than later rounds. The 1986-88 data for Georgia in Table 1 illustrate the impact: total personal income estimates increased by $275 million, $498 million, and $892 million, respectively, with corresponding growth of $47, $81, and $280 in per capita personal income. Growth rates increased by 0.2 percent for both TPI and PCPI in 1986-87, and by 0.4

percent for TPI and 1.4 percent for PCPI in 1987-88. The changes in PCPI reflected revisions in both total personal income and population values. The preliminary (April) estimates incorporated mid-year population estimates available as of December 1988. By August, revised July 1 estimates lowered Georgia's population by 1,000 in 1987 and by 59,000 for 1988. As a result of a lower population estimate and a higher total personal income value, Georgia's PCPI ranking for 1988 moved up from 28th in the nation in the preliminary estimates to 26th in the revised listing.

Data for the Southeastern states (Table 2) show continued growth in both total personal income and per capita personal income, although the region continues to include both high and low performers. Virginia's 1988 PCPI ranked ninth nationally (at 107 percent of the U.S. average) and Florida's sixteenth (at 101 percent of the U.S. value), for example, but half of the Southeastern states ranked 40th or below, including West Virginia at 49th and Mississippi at 50th (Table 3). Georgia's PCPI stood at 93 percent of the U.S. average, extending the trend of steady improvement in the state's overall performance. In general, the border and Mississippi Valley states of the region lagged behind the Atlantic Coast states and Tennessee (Figure 1). Within the region, Georgia continued third in PCPI, behind Virginia and Florida, but ahead of North Carolina and Tennessee.

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CHANGES IN EARNINGS BY INDUSTRY

By industrial sector, data for recent percentage changes in the earnings component of total personal income (unadjusted for inflation) in the Southeast reveal diverse state patterns (Table 4). In 1986-87, earnings from construction grew strongly in Kentucky, Tennessee, and Virginia, but fell in Arkansas and Louisiana; Georgia registered a 2.6 percent gain, compared to 8.7 percent for TPI as a whole. Eight states experienced declines in earnings from mining, although Georgia's grew by 8.4 percent. Except for Louisiana and West Virginia, earnings from private service industries expanded relatively strongly throughout the Southeast, compared to those for the other major industrial sectors, with six states enjoying double-digit increases (Georgia's growth was 11.2 percent). The performance of durables and non-durables manufacturing industries was mixed; in Georgia, earnings from the latter rose by 7 percent, but by only 5.8 percent for durables. Georgia's earnings percentage growth outperformed that of the U.S. as a whole in every sector except construction. Overall, the state's percentage change in total personal income ranked thirteenth in the nation.

Over 1987-88, however, Georgia's 8 percent growth in nominal total personal income, while still ahead of the U.S. rate, ranked nineteenth in the nation and fell 0.7 percent below the state's rate for 1986-87. Earnings growth was supported primarily by the services (up 9.5 percent) and government (up 7.9 percent) which, with earnings from mining, each exceeded the corresponding national change. Georgia's percentage changes in earnings from construction and both durables and nondurables manufacturing fell below the U.S. average.

Within the Southeast, rates of growth for earnings from services remained strong, although generally lower than the previous year, and earnings from government provided solid growth for many states. Earnings from durables manufacturing strengthened, but those from nondurables were mixed, with some states showing higher rates and others slower growth. Construction earnings were positive, with earnings losses reversed or growth rates increased for several states. Georgia's construction industry showed only marginally higher growth rates (2.7 percent vs. 2.6 percent in 1986-67, the lowest of any sector in each period). Regionally, only the mining sector showed any state earnings losses, with contin-

TABLE 1

Comparison of Changes from Revisions in Total Personal Income, Population, and Per Capita Personal Income in Georgia, 1986, 1987, and 1988

	Values				BEA Estimates of:		
	TPI ($ Mil.)	Population (Thou.)	PCPI ($)		Percentage Change, 1986-87		
					TPI	Population	PCPI
				For:			
1986-August	82,410	6,101	13,508	August values	8.7	2.1	6.5
April	82,135	6,101	13,461	April values	8.5	2.1	6.3
Difference	275	0	47	% Point Diff.	0.2	0	0.2
1987-August	89,595	6,227	14,387		Percentage Change, 1987-88		
April	89,097	6,228	14,306		TPI	Population	PCPI
Difference	498	-1	81	For:			
				August values	8.0	1.8	6.1
1988-August	96,779	6,342	15,260	April values	7.6	2.8	4.7
April	95,887	6,401	14,980	% Point Diff.	0.4	-1.0	1.4
Difference	892	-59	280				

Note: Percentage point values as published by BEA in cited reports; differences computed by Division of Research.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, United States Department of Commerce News, April 20, 1989, Tables 2, 3, 4; August 23, 1989, Tables 2, 3, 4.

TABLE 2

Revised Total Personal Income and Per Capita Personal Income, 1986-88, for the U.S. and Southeastern States

Area	Total Personal Income ($ Mil.) in:			Per Capita Personal Income ($) in:		
	1986	1987	1988	1986	1987	1988
U.S.	3,519,211	3,766,075	4,052,992	14,596	15,472	16,489
Southeast	728,360	785,042	848,555	12,716	13,531	14,462
Alabama	45,999	49,165	52,720	11,356	12,039	12,851
Arkansas	26,035	27,275	29,263	10,980	11,421	12,219
Florida	171,112	187,476	204,788	14,640	15,594	16,603
Georgia	82,410	89,595	96,779	13,508	14,387	15,260
Kentucky	41,955	44,663	47,784	11,271	11,996	12,822
Louisiana	50,658	51,176	54,179	11,264	11,506	12,292
Mississippi	25,386	27,032	29,123	9,674	10,301	11,116
North Carolina	78,786	85,582	92,822	12,453	13,353	14,304
South Carolina	38,331	41,372	44,855	11,336	12,078	12,926
Tennessee	57,870	63,003	67,909	12,056	12,977	13,873
Virginia	89,614	97,807	106,315	15,456	16,539	17,675
West Virginia	20,204	20,898	22,018	10,539	11,013	11,735

Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business*, Vol. 69, No. 8 (August 1989), Table 1, p. 34.

TABLE 3

Rankings of 1988 Per Capita Personal Income and PCPI as a Percent of the U.S. Average, Southeast and Southeastern States

Area	1988 PCPI Rank in: Southeast	U.S.	1988 PCPI as % of U.S. Avg.
U.S.	na	na	100
Southeast	na	na	88
Alabama	7	40	78
Arkansas	10	47	74
Florida	2	16	101
Georgia	3	26	93
Kentucky	8	42	78
Louisiana	9	46	75
Mississippi	12	50	67
North Carolina	4	34	87
South Carolina	6	38	78
Tennessee	5	35	84
Virginia	1	9	107
West Virginia	11	49	71

Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business*, Vol. 69, No. 8 (August 1989), Table 1, p. 34. Southeast rankings by Division of Research.

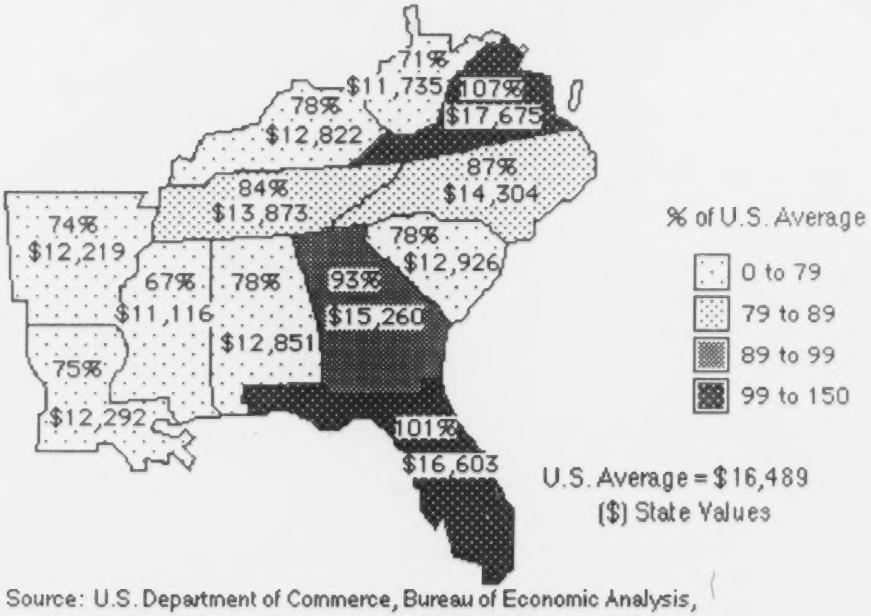
ued declines in Kentucky and West Virginia.

DISPOSABLE PERSONAL INCOME

Just as earnings are only one source of total personal income, so is disposable personal income only one part of total personal income — the estimated *spendable or savable* portion. Since disposable personal income is net of taxes and certain types of fees, donations, and other non-tax payments, and personal contributions for social insurance have already been deducted, it is a smaller absolute value than TPI. Although the direction of national and regional changes in 1988 in disposable *per capita* personal income, the population-adjusted measure, generally paralleled those in total personal income (Table 5), state relationships sometimes differed. Georgia's DPCPI increased by 6.7 percent, *below* both the national average (8.5 percent) and Southeastern regional growth (7.5 percent). The state's DPCPI also stood at 91 percent of the U.S. average and ranked 28th in the nation, both lower values than for PCPI. Florida's DPCPI, however, was relatively higher on the national scale than its PCPI, measuring 102 percent of the U.S. average and remaining sixteenth in the U.S. Virginia again led the region at 107 percent of the U.S. average, but with a slightly lower (tenth place) national ranking. Within the region alone, 1988 rankings of DPCPI matched those for PCPI, with the exception of Alabama and Kentucky, which switched positions.

Figure 1

Per Capita Personal Income as a Percent of the U.S. Average, 1988, Southeastern States



Source: U.S. Department of Commerce, Bureau of Economic Analysis, Survey of Current Business, Vol. 69, No. 8 (August 1989), Table 1, p. 34.

TABLE 4

Percentage Change In Components of Total Personal Income, U.S. and Southeastern States, Selected Years

	Percent Change							
		Earnings						
	Total Personal Income	Durables Manufacturing	Nondurable Manufacturing	Construction	Mining	Private Service-Type	Government	Rank of Percent Change in Total Personal Income
				1986-87				
United States	7.0	2.8	5.3	7.2	-7.3	9.5	6.9	—
Southeast								
Alabama	6.9	5.4	7.3	5.8	-7.1	9.3	5.6	23
Arkansas	4.8	5.9	7.5	-1.2	-6.6	7.3	3.4	40
Florida	9.6	6.7	6.4	5.7	-6.7	12.7	10.2	5
Georgia	8.7	5.8	7.0	2.6	8.4	11.2	7.9	13
Kentucky	6.5	7.0	6.7	13.4	-5.2	8.5	6.7	28
Louisiana	1.0	-0.9	1.8	-6.1	-10.6	1.6	1.8	48
Mississippi	6.5	5.7	3.6	2.3	-12.5	7.2	4.3	27
North Carolina	8.6	5.7	8.3	8.5	5.9	11.4	7.4	15
South Carolina	7.9	9.0	6.7	4.5	9.6	10.3	6.1	18
Tennessee	8.9	5.8	5.3	10.2	1.4	11.3	9.3	10
Virginia	9.1	5.9	6.2	13.9	-6.7	12.8	7.1	8
West Virginia	3.4	0.3	1.0	9.8	-6.7	5.0	4.4	44
				1987-88				
United States	7.6	6.6	6.6	7.1	3.5	8.8	7.0	—
Southeast								
Alabama	7.2	8.9	4.6	6.6	3.6	7.6	5.9	28
Arkansas	7.3	8.0	4.4	3.6	6.3	6.6	5.6	26
Florida	9.2	6.7	8.2	7.4	6.4	9.4	9.0	7
Georgia	8.0	3.0	4.7	2.7	6.9	9.5	7.9	19
Kentucky	7.0	7.6	7.1	5.5	-5.2	8.5	6.4	31
Louisiana	5.9	10.9	4.6	6.7	7.9	5.2	2.7	37
Mississippi	7.7	9.2	4.6	5.6	6.5	6.5	7.3	22
North Carolina	8.5	7.5	5.9	7.4	5.2	10.1	7.5	14
South Carolina	8.4	10.9	5.1	10.4	10.9	9.9	7.1	15
Tennessee	7.8	7.3	6.6	5.6	3.0	8.3	7.5	21
Virginia	8.7	7.0	2.7	10.4	2.9	10.2	7.5	13
West Virginia	5.4	7.3	6.0	4.1	-1.2	6.4	1.7	40

Source: U.S. Department of Commerce, Bureau of Economic Analysis, United States Department of Commerce News, August 23, 1989, Tables 5, 6.

TABLE 5

Per Capita Disposable Income, Southeast and Southeastern States, 1987 and 1988, with Rankings

Area	Per Capita Disposable Personal Income 1987	1988	Percentage Change 1987-88	% of National Average 1988	Rank in U.S. 1988	Rank in Southeast 1988
United States	13,128	14,107	8.5	100	na	na
Southeast	11,597	12,469	7.5	88	na	na
Alabama	10,258	11,040	7.6	78	43	8
Arkansas	9,924	10,670	7.5	76	47	10
Florida	13,374	14,338	7.2	102	16	2
Georgia	12,079	12,886	6.7	91	28	3
Kentucky	10,321	11,081	7.4	79	42	7
Louisiana	10,191	10,890	6.9	77	44	9
Mississippi	8,876	9,612	8.3	68	50	12
North Carolina	11,355	12,259	8.0	87	34	4
South Carolina	10,321	11,102	7.6	79	41	6
Tennessee	11,353	12,212	7.6	87	35	5
Virginia	13,980	15,050	7.7	107	10	1
West Virginia	9,624	10,306	7.1	73	49	11

na Not applicable.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, "State Personal Income, 1986–88: Revised Estimates," Survey of Current Business, Vol. 69, No. 8 (August 1989), Table 2, p. 35. Southeast rankings by Division of Research.

WHERE GEORGIA STANDS

Revised total personal income, per capita personal income, and disposable personal income data thus confirm Georgia's continuing but moderating growth during 1988. Earnings data also re-emphasize the slow growth of construction, the shifting fortunes of manufacturing, and the importance of service and government-based earnings in overall income expansion. Regionally, Georgia has maintained a firm third place, behind only Virginia and Florida; nationally, its standing continues to improve when measured against per capita income averages. As the 1990s approach, the state has a substantial record of income growth. As one of the "haves" of the Southeast, it has helped to boost regional personal income as well.

GEORGIA BUSINESS STATISTICS

SERIES	AUG 1989	JULY 1989	JUNE 1989	AUG 1988
Georgia Leading Indicators Index[1] (1969=100)	172.32	169.61	167.81	176.45
Georgia Coincident Indicators Index[2] (1969=100)	605.17	598.95	597.13	607.92
Nonagricultural Employment[2] (thousands)	2,933.8	2,933.4	2,938.3	2,888.2
Manufacturing Employment[2] (thousands)	563.8	565.4	564.5	570.6
Average Weekly Earnings, Manufacturing[2] (dollars)	360.86	359.51	357.52	355.56
Help Wanted Advertising, Atlanta Index[3] (1967=100)	218	230	174	268
Taxable Retail Sales[4] ($ millions)	3,851.0	3,458.7	4,221.3	3,743.4
Building Permits[5]				
Residential Housing Units, Private (thousands)	5.2	3.7	4.6	4.0
Value of Residential Housing ($ thousands)	323,446	229,178	260,533	330,669
Value of Nonresidential Construction ($ thousands)	336,625	145,072	187,545	246,353
Industrial Buildings	62,323	9,931	9,192	22,682
Office, Bank and Other Professional Buildings	140,356	14,590	24,264	54,808
Stores and Other Mercantile Buildings	33,736	26,249	41,661	55,528
Other	100,210	94,302	112,428	113,335
Consumer Price Index[6] (CPI-U, all items)				
South U.S. (1982-84 = 100)	122.1	122.0	121.7	117.0
South/Population more than 1,200,000[a]	122.8	122.6	122.4	115.3
South/Population 450,000 - 1,200,000[a]	123.4	123.5	123.0	115.9
South/Population 50,000 - 450,000[a]	121.0	120.5	120.4	117.6
Soutl /Population Less than 50,000[a]	120.0	120.1	120.4	118.0
Atlanta (1982-84=100)[b]	–	–	124.9[c]	119.1[c]
Prices Received by Farmers, Georgia Index[7] (1977=100)	142[r]	136[r]	140[r]	139
	1989:I	**1988:IV**	**1988:III**	**1988:II**
Total Personal Income[8] ($ millions)	101,643	99,623	96,832	94,859

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[1] Georgia Economic Forecasting Project, Division of Research, College of Business Administration, University of Georgia. Initial monthly values subject to revision.

[2] Labor Information Systems, Georgia Department of Labor.

[3] Series published by The Conference Board, Inc.

[4] Derived by the Division of Research, College of Business Administration, University of Georgia, from data of the Sales and Use Tax System, Georgia Department of Revenue. Data for April and May, 1989 reflect computational changes because of the April, 1989 increase in the state sales tax rate.

[5] U.S. Department of Commerce, Bureau of the Census.

[6] U.S. Department of Labor, Bureau of Labor Statistics, Southeastern Regional Office.

[7] Georgia Department of Agriculture, Georgia Crop Reporting Service.

[8] U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System.

[a] Group size revised as of January 1, 1987; indexes revised to 1982-84=100 base as of January, 1988.

[b] Atlanta index is average of each 6 months of the calendar year; base revised to 1982-84=100 as of January 1, 1988.

[c] Data are for 1st half, 1989, and 1st half, 1988, respectively.

[r] Revised.

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GEORGIA BUSINESS AND ECONOMIC CONDITIONS

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BLACK BUYING POWER IN GEORGIA DURING 1990

Jeffrey M. Humphreys

For some time, entrepreneurs, marketing practitioners, economic development organizations, and area chambers of commerce have sought estimates of black buying power on the metropolitan statistical area (MSA) and county levels. Simply defined, black buying power is the total personal income of black residents that is available, after taxes, for the purchase of goods and services. Unfortunately, hard data reflecting actual counts are unavailable, and even estimates of black buying power are difficult to obtain for local areas. Furthermore, apart from the decennial census, detailed information on income by race is not available on the sub-state level.

This study attempts to fill the resulting data gap by providing projections of black buying power for Georgia's seven MSAs and 159 counties Projections of black buying power can be used for several purposes: (1) as an indicator of the market potential of new and existing products; (2) as one measure of the opportunity for the entry of new businesses or the expansion of existing businesses; and (3) to help plan advertising campaigns.

Estimates of black buying power provide a timely, cost-efficient, and quantitative means of assessing the size of sub-state black markets in Georgia, going beyond the intuitive approach that is often employed when assessing the size of local area markets. The traditional intuitive approach, relying upon personal knowledge of the business environment, can yield excellent results, but it is often time consuming, costly, and dependent upon the personal experiences and judgment of the observer. In addition, it is difficult to repeat intuitive studies systematically so that meaningful comparisons can be made over time and among communities.

The black buying power estimates presented here should be considered only as the initial phase of a more comprehensive analysis of the market. In short, before committing substantial capital to a new enterprise, a new product line, or to a new advertising campaign, an in-depth feasibility analysis to determine market opportunities precisely should be conducted.

METHODOLOGY

Because a direct measure of black buying power on the sub-state level does not exist, estimates must be prepared by a roundabout process that integrates existing but indirect data. Although the results necessarily are imprecise, the alternative is to abandon the effort entirely. The black buying power projection (BBP) for each geographic area is calculated using the following formula:

$$BBP = DPI90 * (BPCPI/TPCPI) * (NWPOP/TPOP)$$

where DPI90 represents disposable personal income in 1990;
BPCPI represents black per capita personal income in 1980;
TPCPI represents per capita personal income in 1980;
NWPOP represents non-white population in 1990; and
TPOP represents total population in 1990.

The 1990 disposable personal income estimate for each geographic area is obtained by inflating 1987 total personal income by place of residence data (the latest data for local areas available from the U.S. Bureau of Economic Analysis) to 1990 levels and multiplying the result by 0.83. The total personal income growth rate used to inflate the 1987 values to 1990 values was generated by the Georgia Economic Forecasting

Model. Multiplying by 0.83 adjusts total personal income downward for the impact of taxes; projections of trend indicate that disposable personal income in 1990 will comprise approximately 83 percent of total personal income. Disposable personal income is the portion of total personal income that is available for the purchase of goods and services; it therefore measures the total buying power of the area.

The term (BPCPI/TPCPI) represents the relative income adjustment factor, which is simply the ratio of black per capita personal income to the per capita personal income of the total area population. The ratio adjusts for the variation in per capita income that is accounted for by race. Regional trends in black versus total per capita personal income suggest that the ratio has remained fairly constant since 1980. The simplifying assumption of constant ratios is necessary because more timely county per capita income data by race are not available. Clearly, this assumption increases the error of the final estimates.

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The term (NWPOP/TPOP) is simply the percent of the local population that is non-white. Non-white and total population forecasts for 1990 for all Georgia counties were obtained from the state's Office of Planning and Budget. Non-white population includes persons classified as "other races" as well as blacks. The Office of Planning and Budget does not provide a separate forecast of black population, however, because "other" groups typically are a very small category for Georgia counties; therefore, the non-white estimates generally are a close approximation of black population. The net impact of using non-white estimates as an approximation of black population is to produce a slight upward bias in the final estimates of black buying power.

THE RESULTS

In 1990, Georgia's black buying power is expected to equal $15.7 billion, comprising 17.4 percent of the state's total buying power of $89.9 billion. Total buying power and black buying power estimates for Georgia's MSAs are reported in Table 1. The Atlanta MSA is clearly Georgia's largest black metropolitan market, with black buying power of over $7.9 billion. Metro Augusta comprises Georgia's second largest black market, with black buying power of over $930 million. It is important to note that the buying power estimates for Augusta and Columbus do not include the buying power of those MSAs' out-of-state counties: Aiken, South Carolina, in the Augusta MSA and Russell, Alabama in the Columbus MSA. Of the state's MSAs, Athens represents the smallest black market with only $263 million in black buying power.

Table 2 reports total buying power and black buying power for Georgia's 159 counties and the state as a whole. Fulton County is Georgia's largest black market, with black buying power of $4.4 billion. Second place is captured by DeKalb County, with black buying power of $2.2 billion. Chatham County represents Georgia's third largest county-level black market, with black buying power of $829 million. The counties with the smallest black markets are located in the north Georgia mountains, and include Towns, Union, Gilmer, Fannin, and Dawson counties each with less than a half million dollars in black buying power.

Estimates of the absolute size of black markets are merely one indication of market potential. A second measure of market potential is the concentration of black markets, which varies greatly among Georgia's MSAs. The percent of total buying power that is black for Georgia MSAs and counties is reported in Tables 1 and 2, respectively. On the MSA level, the most concentrated black markets are Albany, with 28.3 percent black buying power, and Columbus, totaling 27.7 percent black buying power. The Athens MSA is the least concentrated market with only 14.2 percent black buying power. Although Atlanta is the state's largest black market in absolute terms, it has a relatively low percent (17.1) of total buying power that is black.

TABLE 1

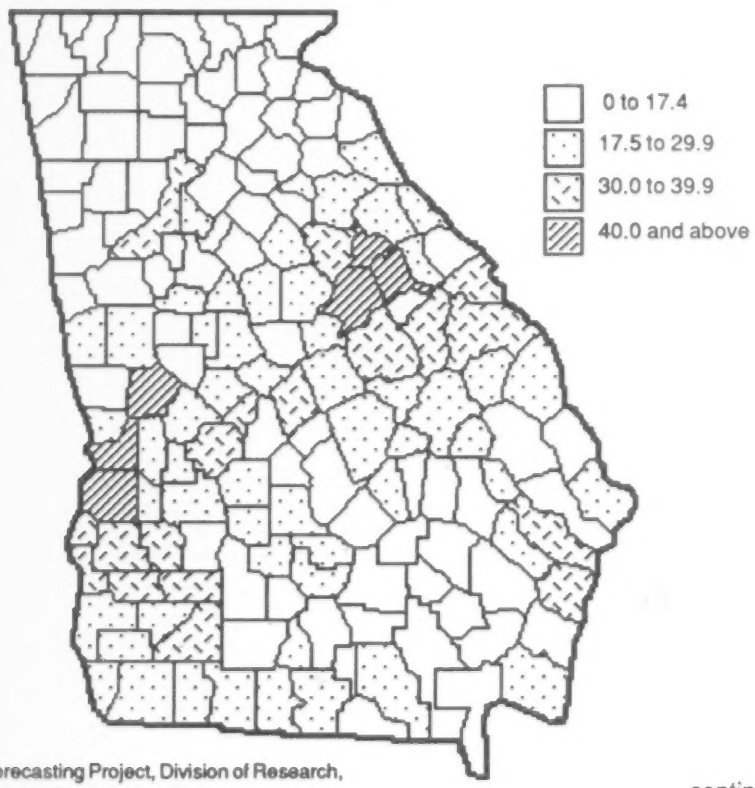
Projections of Black Buying Power in 1990 for Georgia Metropolitan Statistical Areas

MSA	Total Population	Percent Black	Total Buying Power*	Black Buying Power*	Percent of Total Buying Power that is Black
Albany	129,129	46.2	1,375,008	389,657	28.3
Athens	155,331	22.4	1,857,177	262,886	14.2
Atlanta	2,772,663	27.7	46,369,549	7,938,263	17.1
Augusta**	294,102	39.1	3,591,385	930,552	25.9
Columbus**	223,095	43.5	2,532,371	702,563	27.7
Macon-Warner Robins	305,310	38.4	3,791,303	852,249	22.5
Savannah	253,013	42.4	3,427,876	849,048	24.8

*Expressed in thousands of 1990 dollars.
**Georgia portion only.

Source: Resident population projections for 1990 were obtained from the Office of Planning and Budget; percent black, total buying power, black buying power, and percent total buying power that is black were calculated by the Georgia Economic Forecasting Project, Division of Research, College of Business Administration, University of Georgia.

Figure 1
Black Buying Power: Market Concentration
(Percent of Total Buying Power that is Black)



Source: Georgia Economic Forecasting Project, Division of Research, College of Business Administration, The University of Georgia, 1989.

continued on page 10

Population Changes in Georgia During the 1980s

Marie McGrath Libbey

Of vital interest to all Georgians are questions about population changes that have occurred over the last three decades. Since 1950, Georgia and many other Sunbelt states have witnessed enormous changes in their economic, political, and social structures. Accompanying, and perhaps leading and shaping these changes has been the tremendous migratory influx into Georgia and the other southeastern states. The 1990 census may further confirm Georgia's shift from a rural, agriculturally oriented population, to a metropolitan, service/manufacturing based population.

Who has moved to the Southeas', and what regional characteristics have attracted them? How have local and state populations and income levels changed from those recorded in prior census counts? Are favorable climates and tax structures luring retirees south or are highly touted economic opportunities motivating young workers to move here? The type of new resident, as revealed in the 1990 census, will dictate the economic and policy strategy that will guide Georgia into the next century.

STATE COMPARISONS, 1980-1989

The July 1, 1989 data are quite important since they will be the last official state estimates to be released before the April 1,1990 decennial census data become available. Users need to realize, however, that the 1989 estimates are the most vulnerable estimates in terms of accuracy. Population estimates for the years between each decennial census are based on the previous decennial census count, with updates and changes accomplished through the application of sophisticated modeling and projection techniques. While population projections incorporate a variety of correcting variables such as births, deaths, and driver's license registrations, the "head count" database on which these corrections are being executed is nine years old.

Since 1980, populations have been subjected to many unmeasured and unanticipated forces. In general, theoretical population projection models may not accurately predict or account for unusual phenomena and events, especially in local populations. Developments such as a rise in the homeless population, unanticipated changes in local institutional populations, and sudden economically-based changes such as large shutdowns and layoffs, or sudden business or military build-ups, may affect the population of a city or county substantially, but may not be reflected in official estimates. While individual state and federal authorities regularly chart population changes and movements to some degree, only the constitutionally-mandated decennial census count provides the most complete and accurate basis for detailed demographic analysis.

Population estimates for July 1989, the most recent data available, show Georgia ranking as the nation's 11th most populated state, with a total of 6.4 million residents. Exceeded only by population increases in California, Florida, and Texas, a net increase of 973,00 persons between 1980 and 1989 places Georgia fourth in the number of new residents. Florida, with a total of 12.7 million residents, 2.9 million more since 1980, is the only southeastern state adding more new residents in the '80s.

Between 1980 and 1989, a population increase of 17.8 percent, a rate substantially above the national average increase of 9.6 percent, made Georgia the eighth fastest growing state in the nation. Total population growth in the twelve-state Southeast region, as defined by the Bureau of Economic Analysis, (see Table 1), is considerably above the national level, but only those states located along the southeastern Atlantic coast (Virginia, North Carolina, South Carolina, Georgia, and Florida) experienced double-digit rates of population

Table 1

Estimates of the Resident Population of Twelve Southeastern States and United States Census 1980 and July 1, 1989 (Number in thousands. Includes resident Armed Forces)

State/Region	July 1, 1989 Estimate	April 1, 1980 (Census count)	1980-1989 Change Number	1980-1989 Change Percent
Alabama	4,118	3,894	224	5.8
Arkansas	2,406	2,286	120	5.2
Florida	12,671	9,746	2,925	30.0
Georgia	6,436	5,463	973	17.8
Kentucky	3,727	3,661	66	1.8
Louisiana	4,382	4,206	176	4.2
Mississippi	2,621	2,521	100	4.0
North Carolina	6,571	5,882	689	11.7
South Carolina	3,512	3,122	390	12.5
Tennessee	4,940	4,591	349	7.6
Virginia	6,098	5,347	751	14.0
West Virginia	1,857	1,950	-93	-4.8
Southeastern States	59,339	52,669	6,670	12.7
United States	248,239	226,546	21,693	9.6

Source: U.S. Department of Commerce, Bureau of the Census, Estimates of the Resident Population of States, July 1, 1985 to 1989, unpublished data, December 1989.

growth. While six other southern states did not reach the national average in their population increases, only West Virginia declined absolutely in population, losing 93,000 residents and dropping 4.8 percent since the 1980 count.

STATE METROPOLITAN/ NONMETROPOLITAN GROWTH, 1980-1988

Although summary state data for July 1, 1989 were released in December 1989, the most recent data at the "place" level are for population change between the 1980 census count and 1988. Table 2 illustrates the changing metropolitan population of Georgia between 1980 and 1988; the estimates aggregate population data from the individual places within each Metropolitan Statistical Area (MSA) in Georgia, and correct MSA totals for out-of-state places and counties.

Metropolitan statistical areas are geographically delineated concentrations of population defined by the U.S. Office of Management and Budget (OMB), and are used to present a wide variety of statistical data. The first definitions of MSAs were developed in 1950; they have been updated after each decennial census. In 1980 the term SMSA (Standard Metropolitan Statistical Area) was shortened to MSA, and two new terms were introduced, CMSA (Consolidated Metropolitan Statistical Area), and PMSA (Primary Metropolitan Statistical Area). A CMSA consists of several PMSAs, has a population concentration of more than one million people, and meets certain other specified requirements. Currently, Georgia does not contain any CMSAs or PMSAs. The nearest Sunbelt CMSA is Miami-Fort Lauderdale, Florida, with others located in Texas and California.

An MSA consists of a population nucleus of at least 50,000, and contains a central city and adjacent communities exhibiting a high degree of economic and social integration. The basic geographic unit is the county. MSAs may include counties other than the one containing the central city, with inclusion in a specific MSA determined on the strength of economic and social ties to the central county, as defined by the Census Bureau and census information on employment commuting patterns. While many MSAs include several counties, some MSAs have more than one central city, if the city can meet a minimum population size (usually about 25,000 persons) and specified place-of-work requirements. In Georgia, the Atlanta and Macon-Warner Robins MSAs contain multiple central cities, and both have central cities that cross county lines.

A few broad observations may be drawn from Table 2. It is clear that Georgia, like the rest of the nation, is becoming increasingly more metropolitan. Between 1980 and 1988, the population of metropolitan United States increased by over

Table 2

Georgia Metropolitan and Nonmetropolitan Population Totals, by Central City and Non-central City Areas, 1980 and 1988

MSA/Place	Population April 1, 1980 (Census)	Population July 1, 1988 Estimate	Population Change 1980 to 1988 Number	Population Change 1980 to 1988 Percent	Percentage Distributions April 1, 1980 (Census)	Percentage Distributions July 1, 1988 Estimate	Percentage Distributions Population Change '80 to '88
Metropolitan	3,402,601	4,111,100	708,800	20.8	62.3	64.8	80.6
Central Cities	1,097,954	1,124,260	26,300	2.4	20.1	17.7	3.0
Remaining Areas	2,304,647	2,987,360	682,730	29.6	42.2	47.1	77.7
Nonmetropolitan	2,060,381	2,230,400	170,200	8.3	37.7	35.2	19.4
Georgia	5,462,982	6,342,000	879,000	16.1	100.0	100.0	100.0

Note: Areas defined by the U.S. Office of Management and Budget as of June 30, 1989. Numbers include corrections to the 1980 counts since the 1980 census. MSA data are official estimates by U.S. Bureau of the Census; place date are from unpublished reports provided by the Atlanta Regional Census Office. Percentage calculations for places are based on unrounded data; all other values are rounded. Components may not add to totals due to independent rounding.

Source: U.S. Department of Commerce, Bureau of the Census, Atlanta Regional Office, unpublished data, August 1989 and December 1989.

16.8 million persons, or 9.7 percent. This is substantially above the total national population growth of 8.5 percent for the same period. In contrast, nonmetropolitan areas in the U.S. added a total of 2.4 million persons, or 4.5 percent. By 1988, fully 77 percent of the total population lived in one of the 283 designated metropolitan areas.

In Georgia, 62.3 percent of the population resided in metropolitan areas in 1980, but by 1988, the total climbed to 64.8 percent. The increase reflects a growth rate more than twice that of Georgia's nonmetropolitan areas. Between 1980 and 1988, the nonmetropolitan areas grew by 8.3 percent or 172,200 new residents. The metropolitan areas alone absorbed over 80 percent of all the state's new residents. By comparison, nonmetropolitan areas grew by 8.3 percent or 172,200 new residents between 1980 and 1988, almost double that of the national rate for rural areas.

GROWTH AND CHANGE IN THE INDIVIDUAL MSAS

Table 3 details population changes in individual metropolitan areas analyzed by central cities and their remaining areas. In cases where there are multiple central cities, or a central city crosses a county line, each area is listed separately. For the Augusta, Chattanooga, and Columbus MSAs, which cross state lines, the Georgia population is listed separately. The first two data columns show populations by the 1980 census count and the 1988 estimate; the next two columns detail changes between 1980 and 1988, by both rounded numbers and percentages. The fifth and sixth data columns delineate percentage distributions of the population groupings, listing each year separately. The final column of data presents the 1980-1988 population change as distributed among the areas within each MSA.

Between 1980 and 1988, four of the seven Georgia-based MSAs, (Athens, Atlanta, Augusta, and Savannah) grew faster than both the national rate of growth and the rate for metropolitan areas. The Macon-Warner Robins MSA exceeded the national average growth rate. Atlanta was the only MSA to outpace the state average rate of growth for metropolitan areas. The Columbus and Albany MSAs, located in the southwestern corner of the state, exhibited growth rates significantly below both the state and national rates in both total growth and metropolitan areas.

With a population increase of 28 percent, Atlanta was the fastest growing MSA in Georgia, and was ranked as the nation's thirteenth largest MSA in 1988, well above its sixteenth place in 1980. Almost 600,000 new residents put Atlanta among the eight U.S. metropolitan areas gaining more than a half million new residents since 1980. Growth in the MSA's 18–county region accounted for 68.1 percent of Georgia's total population gain, and increased the Atlanta MSA's share of Georgia's population from 39.1 percent in 1980 to 43.2 percent in 1988. A population swell in suburban Atlanta, however, clearly fueled growth both in the MSA and in the state. While the Atlanta MSA showed an enormous population increase, growth in the central cities of Atlanta and Marietta accounted for only 11,700 new residents, representing a mere 2 percent of the total Atlanta MSA growth. The

Table 3

Georgia Metropolitan Population,
MSAs by Central City and Non-central City Areas, 1980 and 1988

MSA[a]/Place	Population April 1, 1980 (Census)	Population July 1, 1988 Estimate	Population Change 1980 to 1988 Number	Population Change 1980 to 1988 Percent	Percentage Distributions April 1, 1980 (Census)	Percentage Distributions July 1, 1988 Estimate	Percentage Distributions Population Change '80 to '88
Albany MSA	112,394	116,300	3,900	3.5	100.0	100.0	100.0
Albany central city	82,861	83,540	680	0.8	73.7	71.8	17.4
Remaining areas	29,533	32,760	3,230	10.9	26.3	28.2	82.8
Athens MSA	130,015	144,700	14,700	11.3	100.0	100.0	100.0
Athens central city	42,549	41,420	-1,130	-2.7	32.7	28.6	-7.7
Remaining areas	87,466	103,280	15,820	18.1	67.3	71.4	107.6
Atlanta MSA	2,138,136	2,736,600	598,400	28.0	100.0	100.0	100.0
Central cities total	457,124	468,870	11,750	2.6	21.4	17.1	2.0
Atlanta central city	425,022	420,220	-4,800	-1.1	19.9	15.4	-0.8
DeKalb Co portion	37,283	38,590	1,300	3.5	1.7	1.4	0.2
Fulton Co portion	387,739	381,630	-6,110	-1.6	18.1	13.9	-1.0
Marietta central city	32,102	48,660	16,550	51.6	1.5	1.8	2.8
Remaining areas	1,681,012	2,267,730	586,720	34.9	78.6	82.9	98.0
Augusta MSA	345,923	396,400	50,500	14.6	100.0	100.0	100.0
Augusta central city	47,532	42,830	-4,700	-9.9	13.7	10.8	-9.3
Remaining areas- total	298,391	353,570	55,200	18.5	86.3	89.2	109.3
Aiken Co- SC	105,630	122,240	16,610	15.7	30.5	30.8	32.9
Remaining areas -GA only	192,761	231,330	38,590	20.0	55.7	58.4	76.4
Chattanooga MSA	426,443	438,100	11,700	2.7	100.0	100.0	100.0
Central city	169,514	162,670	-6,850	-4.2	39.8	37.1	-58.5
Remaining areas	256,929	275,430	18,500	6.7	60.2	62.9	158.1
GA Portion of MSA[b]	105,779	111,900	6,120	5.5	24.8	25.5	52.3
TN Portion of MSA[c]	320,664	326,310	5,650	1.7	75.2	74.5	48.3
Columbus MSA	239,196	246,900	7,700	3.2	100.0	100.0	100.0
Columbus central city	169,441	177,680	8,240	4.9	70.8	72.0	107.0
Remaining areas	69,755	69,220	-540	-0.8	29.2	28.0	-7.0
Russell County- AL	47,356	50,050	2,690	5.7	19.8	20.3	34.9
Remaining areas - GA only	22,399	19,170	-3,230	-14.4	9.4	7.8	-41.9
Macon- Warner Robins MSA	263,591	286,700	23,100	8.8	100.0	100.0	100.0
Central cities total	156,789	163,930	7,140	4.6	59.5	57.2	30.9
Macon central city	116,896	117,940	1,040	0.9	44.3	41.1	4.5
Bibb Co portion	116,501	117,500	990	0.9	44.2	41.0	4.3
Jones Co portion	395	440	50	11.4	0.1	0.2	0.2
Warner Robins central city	39,893	46,000	6,100	15.3	15.1	16.0	26.4
Remaining areas	106,802	122,770	15,970	14.9	40.5	42.8	69.1
Savannah MSA	220,553	244,400	23,800	10.8	100.0	100.0	100.0
Savannah cental city	141,658	145,980	4,320	3.1	64.2	59.7	18.2
Remaining areas	78,895	98,420	19,520	24.7	35.8	40.3	82.0

[a] MSA data are official estimates by U.S. Bureau of the Census; place date are from unpublished reports provided by the Atlanta Regional Census Office. Percentage calculations for places are based on unrounded data; all other values are rounded. Components may not add to totals due to independent rounding.

[b] Consists of Catoosa, Dade, and Walker counties.

[c] Consists of Hamilton, Marion, and Sequatchie counties, with the central city of Chattanooga contained wholly within Hamilton County.

Source: U.S. Department of Commerce, Bureau of the Census, Atlanta Regional Office, unpublished data, August 1989 and December 1989.

areas outside of Atlanta's central cities accounted for 586,720 new residents, an increase of 98 percent over the 1980 population base. Partially responsible for the large differences in central city and suburban growth rates are Atlanta's static municipal boundaries. While many Sunbelt cities have extended the limits of their central cities through the annexation of suburban areas, Atlanta has had no significant annexations since 1952.

The pattern of the Atlanta MSA's central city growth, though more dramatic, parallels population changes in the rest of Georgia's MSAs. Between 1980 and 1988, central cities experienced relatively low change, in some cases losing population. In contrast, most suburban populations expanded, often resulting in dramatic population redistributions between the central cities and their remaining suburban areas. Only in the Columbus MSA, which experienced the lowest overall percentage increase in a state MSA, (3.2 percent), did the total central city population gain percentage share between 1980 and 1988. This MSA, with its closely aligned central city and county limits, also was the only Georgia MSA in which the suburban areas lost population.

In 1988, the MSAs with the lowest percentage of their populations living in central city areas were Augusta (10.8 percent), Atlanta (17.1 percent), and Athens (28.6 percent). The other Georgia MSAs had between 57.2 percent and 72 percent of their populations residing within the boundaries of their designated central cities.

Marietta and Warner Robins, both designated central cities after the 1980 census, were the only two central cities to show significantly large percentages of growth. Marietta gained over 16,500 new residents, an increase of 51.6 percent. The numeric increase was more than the combined Atlanta MSA central cities total, since the City of Atlanta experienced a net loss of 4,800 residents. The combined central city portion of the Atlanta MSA increased 2.6 percent and accounted for a 2 percent gain in the total MSA population, but its percentage share of the total MSA population base fell from 21.4 percent in 1980 to 17.1 percent in 1988. Warner Robins, named as a central city of the Macon MSA in 1980, increased its population by 15.3 percent, approximately 6,100 persons. The rate of growth in the city of Warner Robins exceeded that of all other separate areas in the MSA, contributing significantly to the increase of the MSA's central cities total and pulling them slightly ahead of the remaining suburban areas.

The last column of data in Table 3 clearly indicates that suburban areas contributed the bulk of total 1980-1988 population growth in all metropolitan areas. The single exception was the Columbus MSA, where the total suburban population declined by .8 percent. In the Athens MSA, where the central city lost 2.7 percent of its population, approximately 1,130 persons, net increases in the suburban metropolitan areas compensated for these declines and resulted in a net 107.6 percent contribution to the total MSA increase. The Atlanta, Albany, and Savannah suburban areas contributed 98 percent, 82.8 percent, and 82 percent, respectively, to the total population increases of their MSAs.

THE COUNTIES

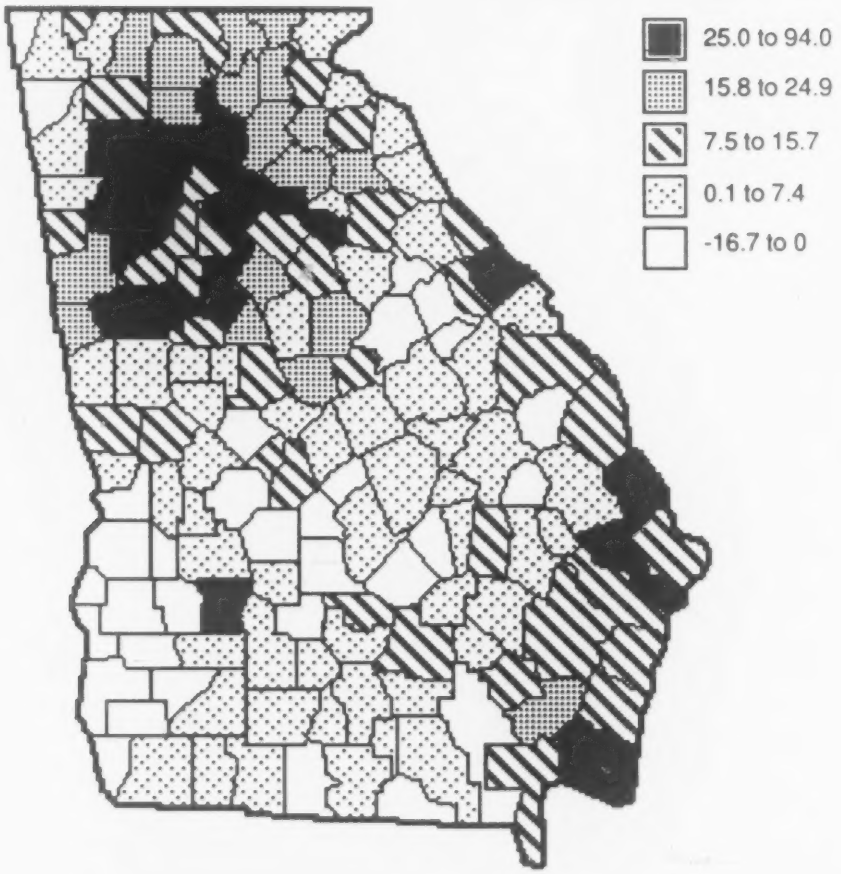
Table 4 details July 1, 1988 population estimates and changes from the 1980 census for each Georgia county as calculated by the U.S. Bureau of the Census. While there has been some reshuffling of order since the decennial census count, the ten most populous counties still are the same in 1988. Fulton, DeKalb, and Cobb counties remain the three largest counties in Georgia; Gwinnett county gained enough population to place fourth in the state, dropping Chatham county to fifth place in 1988. The next five counties, by size of population in 1988, are Richmond, Muscogee, Clayton, Bibb, and Dougherty. All ten are included in MSAs, five within the Atlanta MSA and one each in the Albany, Augusta, Columbus, Macon-Warner Robins, and Savannah MSAs. In 1988, these ten counties held slightly fewer than three million people, representing 46.6 percent of the state population, an increase from 1980 when these same ten counties contained a population of 2.5 million, or 45.6 percent of the state total. The twenty most populous counties in the state (each with populations of more than 62,500 persons), represented 58.8 percent of the total population, or 3.7 million people, a slight increase from their 1980 proportion, when the top twenty counties held 57.8 percent of the state population, or 3.2 million people.

Thirteen of the top twenty counties gaining the most population between 1980 and 1988, including eight of the top ten, were within the Atlanta MSA. Gwinnett, Cobb, DeKalb, Fulton, Cherokee, and Fayette counties led the list in new additions to their population. These six contiguous Atlanta MSA counties accounted for 458,700 new residents, or 52.2 percent of the total state population increase. Gwinnett County, gaining 156,700 residents, a 94 percent increase over its 1980 population base, topped the county listings in both the number of new residents and the percentage of its population increase. Cobb County followed with 127,600 new residents, a 42.9 percent increase from its 1980 population base. DeKalb County, which includes a small portion of the Atlanta central city, was the third largest gainer, with an increase of approximately 61,600 new residents (12.8 percent). The tenth largest gainer was Chatham County, part of the Savannah MSA, which added 17,800 new residents. Ranking twentieth, with an increase of 9,800 persons since 1980, was Richmond County, part of the the Augusta MSA and wholly containing the MSAs central city. Within Georgia, 124 of 159 counties increased their populations between 1980 and 1988.

The map illustrates the pattern of population percentage change, by county, in Georgia. Clearly, the majority of those areas gaining the most, as measured in percentage change between 1980 and 1988, were in, or adjacent to, the metropolitan Atlanta area. There is, however, what could be termed a "doughnut" effect in population changes in the Atlanta, Athens, Augusta, and Savannah MSAs. In general, the effect occurs when the county containing an MSA's central cities is sur-

continued on page 15

Percentage Changes in Population, Georgia Counties, 1980-1988



Source: Based on data from U.S. Department of Commerce, Bureau of the Census, August 1989.

continued from page 3

TABLE 2

Projections of Black Buying Power in 1990 for Georgia Counties

County	Total Population	Percent Black	Total Buying Power*	Black Buying Power*	Percent of Total Buying Power that is Black
Appling	17,664	21.1	183,866	23,935	13.0
Atkinson	6,942	26.4	68,759	10,722	15.6
Bacon	10,551	18.1	103,480	7,626	7.4
Baker	3,834	48.7	39,782	11,453	28.8
Baldwin	41,611	38.5	472,541	110,127	23.3
Banks	10,438	5.2	114,476	3,534	3.1
Barrow	28,437	13.6	342,688	25,898	7.6
Bartow	56,148	11.5	621,161	50,789	8.2
Ben Hill	17,874	30.7	179,034	32,511	18.2
Berrien	14,810	13.6	149,733	11,712	7.8
Bibb	167,290	44.3	2,138,955	564,746	26.4
Bleckley	11,463	23.6	124,419	17,204	13.8
Brantley	10,751	5.4	92,912	2,943	3.2
Brooks	16,880	44.4	138,870	38,166	27.5
Bryan	13,606	18.3	160,253	16,048	10.0
Bulloch	41,086	25.2	419,377	55,053	13.1
Burke	23,372	49.9	216,287	72,758	33.6
Butts	16,557	37.4	178,436	43,943	24.6
Calhoun	6,090	55.9	62,041	22,527	36.3
Camden	34,419	38.2	244,806	60,523	24.7
Candler	7,914	33.9	84,455	17,259	20.4
Carroll	71,263	18.1	838,919	84,791	10.1
Catoosa	40,462	1.5	447,528	3,878	0.9
Charlton	9,175	27.6	87,393	13,630	15.6
Chatham	229,740	45.1	3,173,483	828,894	26.1
Chattahoochee	31,449	47.3	175,165	72,270	41.3
Chattooga	22,887	8.8	233,845	14,388	6.2
Cherokee	82,757	1.9	1,221,977	14,713	1.2
Clarke	84,863	33.3	1,059,956	217,084	20.5
Clay	3,644	66.1	27,801	10,530	37.9
Clayton	189,659	14.6	2,503,681	276,106	11.0
Clinch	7,627	30.2	59,340	10,580	17.8
Cobb	422,117	7.4	7,920,781	363,048	4.6
Coffee	31,495	26.1	308,658	52,523	17.0
Colquitt	39,320	25.5	430,619	62,264	14.5
Columbia	62,691	13.1	859,716	71,174	8.3
Cook	14,844	31.7	142,677	30,023	21.0
Coweta	50,279	24.9	660,900	98,981	15.0
Crawford	9,143	28.4	88,978	21,905	24.6
Crisp	21,100	41.7	210,742	45,778	21.7

(continued)

TABLE 2 (continued)

County	Total Population	Percent Black	Total Buying Power*	Black Buying Power*	Percent of Total Buying Power that is Black
Dade	13,418	2.1	116,591	1,480	1.3
Dawson	5,451	0.8	97,759	488	0.5
Decatur	27,977	37.2	287,979	59,382	20.6
DeKalb	570,285	39.3	9,744,150	2,285,519	23.5
Dodge	18,492	30.2	175,272	29,873	17.0
Dooly	11,178	50.0	117,842	32,568	27.6
Dougherty	112,395	50.7	1,203,375	378,538	31.5
Douglas	74,647	4.0	986,204	21,478	2.2
Early	14,279	43.6	137,674	30,101	21.9
Echols	2,752	14.6	21,395	1,848	8.6
Effingham	23,273	15.7	254,393	20,155	7.9
Elbert	20,135	32.1	221,995	43,134	19.4
Emanuel	22,656	34.5	209,184	44,952	21.5
Evans	9,544	36.3	103,222	21,822	21.1
Fannin	15,770	0.4	160,632	361	0.2
Fayette	51,306	1.7	1,009,451	17,124	1.7
Floyd	84,852	14.6	1,079,557	95,150	8.8
Forsyth	39,687	1.0	640,688	3,970	0.6
Franklin	17,496	9.6	199,375	11,303	5.7
Fulton	668,691	60.8	12,199,465	4,393,849	36.0
Gilmer	13,266	0.3	163,167	327	0.2
Glascock	2,486	12.8	28,050	2,115	7.5
Glynn	64,455	30.7	868,174	139,686	16.1
Gordon	36,944	4.5	412,592	12,630	3.1
Grady	21,444	30.7	220,419	39,508	17.9
Greene	12,892	56.3	128,497	50,122	39.0
Gwinnett	297,836	2.4	5,292,633	69,637	1.3
Habersham	29,860	6.7	339,216	11,823	3.5
Hall	96,998	9.7	1,290,199	73,971	5.7
Hancock	9,754	82.9	85,692	56,811	66.3
Haralson	21,458	8.2	249,008	11,232	4.5
Harris	18,426	26.1	226,597	30,462	13.4
Hart	20,550	21.8	245,833	31,178	12.7
Heard	7,882	14.8	78,539	6,099	7.8
Henry	52,617	10.9	772,518	40,896	5.3
Houston	93,669	28.6	1,162,969	173,247	14.9
Irwin	9,923	31.7	91,846	17,194	18.7
Jackson	30,841	10.0	355,295	23,643	6.7
Jasper	8,889	34.0	106,177	25,487	24.0
Jeff Davis	13,124	14.4	134,667	12,494	9.3

(continued)

TABLE 2 (continued)

County	Total Population	Percent Black	Total Buying Power*	Black Buying Power*	Percent of Total Buying Power that is Black
Jefferson	19,594	56.9	187,672	70,898	37.8
Jenkins	9,185	40.3	84,584	17,622	20.8
Johnson	9,884	34.4	90,804	18,489	20.4
Jones	21,905	25.5	234,072	36,201	15.5
Lamar	13,933	32.2	158,756	30,708	19.3
Lanier	6,324	23.4	56,315	7,990	14.2
Laurens	41,673	34.0	458,605	90,083	19.6
Lee	16,734	15.6	171,633	11,119	6.5
Liberty	51,087	43.0	446,519	160,821	36.0
Lincoln	7,500	40.5	76,299	18,272	23.9
Long	6,436	24.0	43,579	8,465	19.4
Lowndes	82,565	34.2	869,019	161,249	18.6
Lumpkin	13,558	6.6	162,561	6,387	3.9
Macon	14,781	53.6	135,388	46,110	34.1
Madison	22,104	9.4	221,805	13,682	6.2
Marion	5,975	43.4	53,548	13,755	25.7
McDuffie	21,874	34.7	218,898	48,120	22.0
McIntosh	9,051	43.5	90,050	27,736	30.8
Meriwether	23,104	44.8	220,823	64,478	29.2
Miller	7,491	31.2	69,912	12,906	18.5
Mitchell	23,360	50.1	205,542	62,825	30.6
Monroe	17,918	31.1	203,377	41,998	20.7
Montgomery	8,371	28.7	76,354	12,717	16.7
Morgan	14,245	38.3	166,513	37,747	22.7
Murray	25,154	0.7	262,089	1,133	0.4
Muscogee	191,646	42.9	2,357,207	630,294	26.7
Newton	43,225	23.0	533,852	80,970	15.2
Oconee	17,523	7.1	220,121	8,477	3.9
Oglethorpe	10,539	28.2	105,053	19,454	18.5
Paulding	37,018	3.4	448,943	12,408	2.8
Peach	22,446	47.5	255,306	78,055	30.6
Pickens	14,267	2.1	181,564	2,250	1.2
Pierce	13,840	12.2	122,819	8,303	6.8
Pike	10,451	17.7	114,713	12,852	11.2
Polk	35,792	16.3	387,240	42,879	11.1
Pulaski	9,287	34.2	98,606	17,180	17.4
Putnam	13,374	37.0	136,768	29,886	21.9
Quitman	2,283	55.5	22,025	7,549	34.3
Rabun	11,563	1.8	118,188	1,287	1.1
Randolph	9,571	58.5	83,106	26,658	32.1

(continued)

TABLE 2 (continued)

County	Total Population	Percent Black	Total Buying Power*	Black Buying Power*	Percent of Total Buying Power that is Black
Richmond	209,537	47.3	2,512,771	811,259	32.3
Rockdale	51,809	5.9	813,420	27,765	3.4
Schley	3,784	34.0	40,692	7,827	19.2
Screven	15,506	46.4	145,141	40,388	27.8
Seminole	9,409	33.7	99,947	19,437	19.4
Spalding	54,986	29.9	667,134	118,524	17.8
Stephens	23,677	13.8	260,545	22,550	8.7
Stewart	6,054	66.6	51,109	21,383	41.8
Sumter	34,192	45.4	350,601	95,443	27.2
Talbot	7,145	62.4	67,312	29,043	43.1
Taliaferro	2,088	67.9	25,718	12,280	47.7
Tattnall	18,587	27.2	195,866	26,932	13.8
Taylor	8,395	39.2	84,852	17,673	20.8
Telfair	11,829	30.7	110,514	19,054	17.2
Terrell	13,146	63.7	102,328	37,658	36.8
Thomas	43,614	39.4	480,004	116,651	24.3
Tift	36,968	29.0	415,289	62,115	15.0
Toombs	26,017	26.2	288,095	37,518	13.0
Towns	6,703	0.1	65,384	52	0.1
Treutlen	6,090	35.0	55,448	11,487	20.7
Troup	56,882	33.0	678,018	136,975	20.2
Turner	10,325	40.8	92,551	19,916	21.5
Twiggs	11,034	47.2	94,907	29,869	31.5
Union	11,189	0.2	110,981	158	0.1
Upson	26,563	28.9	301,813	52,615	17.4
Walker	58,232	4.7	664,456	21,076	3.2
Walton	40,750	17.6	432,630	43,433	10.0
Ware	39,518	25.1	420,426	61,811	14.7
Warren	7,274	62.9	60,389	26,006	43.1
Washington	20,544	50.9	229,880	73,082	31.8
Wayne	22,651	20.0	244,281	26,364	10.8
Webster	2,547	45.9	27,201	6,776	24.9
Wheeler	5,106	30.3	47,327	8,557	18.1
White	12,900	4.1	156,856	3,839	2.4
Whitfield	77,529	5.8	1,045,802	44,601	4.3
Wilcox	7,901	34.4	79,118	16,074	20.3
Wilkes	11,617	46.8	133,397	36,932	27.7
Wilkinson	11,736	44.4	124,411	32,634	26.2
Worth	20,105	33.3	190,404	30,531	16.0
Georgia	6,630,420	29.5	89,924,020	15,674,179	17.4

*Expressed in thousands of 1990 dollars.

Source: Resident population projections for 1990 were obtained from the Office of Planning and Budget; percent black, total buying power, black buying power, and percent total buying power that is black were calculated by the Georgia Economic Forecasting Project, Division of Research, College of Business Administration, University of Georgia.

Black market concentration on the county level also varies widely. In general, the most highly concentrated black markets are located in a wide band spanning middle Georgia (see Figure 1), although there are a number of concentrated markets in southwest and coastal Georgia. Black market concentration is substantial in six middle Georgia counties: Hancock at 66.3 percent black buying power; Taliaferro at 47.7 percent; Warren at 43.1 percent; Talbot at 43.1 percent; Stewart at 41.8 percent; and Chattahoochee at 41.3 percent.

The least concentrated black markets in the state are located in the north Georgia mountains. For example, Towns, Union, Gilmer, Fannin, Murray, Dawson, Forsyth, and Catoosa counties all have black buying power concentrations of less than 1 percent, reflecting low non-white population totals. In general, the northern tier of counties does not offer promising opportunities to those wishing to reach large or concentrated black markets.

An upscale market is one that is characterized by high per capita incomes. Georgia's upscale black markets are primarily — but not exclusively — located in the metropolitan Atlanta area, and include Gwinnett, DeKalb, Cobb, Paulding, Fulton, Clayton, and Fayette counties. Crawford County, near Macon, is the only county in central and south Georgia that is a upscale black market. It boasts a modest $21.9 million in total black buying power. Whitfield County, which contains Dalton, is the only upscale black market in the north Georgia mountain area. Black buying power in Whitfield County will total $44.6 million in 1990, constituting a mere 4.3 percent of the county's total buying power.

THE TOP THREE BLACK-CONCENTRATED MARKETS IN 1990

Where are Georgia's top black-concentrated markets? Three criteria were used to select the leaders: (1) the size of the market; (2) the concentration of the market; and (3) whether or not the market is upscale. Given the data already presented, the first and second choices are obvious. First place, Fulton County, is Georgia's largest black market, and is both highly concentrated and upscale. The second place, DeKalb County, is the state's second largest black market, and is also highly concentrated and upscale. The selection of the third best black market was more difficult; top contenders included Bibb, Cobb, Crawford, Chatham, Dougherty, and Muscogee counties. Crawford County was chosen as the third best black market in Georgia, with its upscale quality weighing heavily in the decision. Although small, Crawford County's black market is also highly concentrated.

SUMMARY

The black buying power estimates indicate that black market power is a considerable force driving the state's economy. Clearly, the continued expansion of the retail and services sectors depends greatly upon the cultivation of black markets. Still, Georgia's MSA and county-level black markets vary greatly in both size and concentration. The MSA and county black buying power estimates and associated percentages of total buying power that is black provided here should help to quantify this variation, thereby encouraging the efficient and profitable development of Georgia's black markets.

continued from page 8

Table 4

1988 Population Estimates By County, with Change from 1980

County	July 1, 1988 Population Estimate	Population Change 1980 to 1988 Number	Percent	County	July 1, 1988 Population Estimate	Population Change 1980 to 1988 Number	Percent
Appling	16,700	1,100	7.1	Dade	12,000	-300	-2.8
Atkinson	6,400	300	4.1	Dawson	8,300	3,600	74.5
Bacon	9,700	300	3.0	Decatur	27,000	1,500	5.9
Baker	3,700	-100	-2.2	DeKalb	544,700	61,600	12.8
Baldwin	38,800	4,100	11.9	Dodge	17,400	400	2.4
Banks	10,800	2,100	24.5	Dooly	10,200	-600	-5.8
Barrow	27,500	6,100	28.6	Dougherty	100,800	100	.1
Bartow	51,800	11,100	27.2	Douglas	73,500	18,900	34.7
Ben Hill	17,300	1,300	8.0	Early	13,000	-100	-.9
Berrien	14,100	600	4.2	Echols	2,300	0	-.3
Bibb	157,900	7,700	5.1	Effingham	24,400	6,000	32.9
Bleckley	10,700	-100	-.9	Elbert	19,100	300	1.6
Brantley	10,400	1,700	19.1	Emanuel	22,100	1,300	6.2
Brooks	15,300	0	.0	Evans	8,600	100	1.6
Bryan	15,800	5,600	54.9	Fannin	16,400	1,700	11.4
Bulloch	38,000	2,200	6.3	Fayette	56,200	27,100	93.3
Burke	21,300	1,900	9.9	Floyd	80,700	900	1.1
Butts	16,600	2,900	21.5	Forsyth	42,500	14,600	52.1
Calhoun	5,300	-500	-8.2	Franklin	16,500	1,300	8.8
Camden	22,600	9,300	69.2	Fulton	640,800	50,900	8.6
Candler	7,500	0	-.5	Gilmer	13,100	2,000	18.3
Carroll	69,100	12,700	22.6	Glascock	2,200	-100	-5.6
Catoosa	41,600	4,600	12.3	Glynn	60,600	5,700	10.3
Charlton	8,200	800	11.4	Gordon	34,200	4,200	13.9
Chatham	220,000	17,800	8.8	Grady	21,300	1,400	7.3
Chattahoochee	18,100	-3,600	-16.7	Greene	12,100	700	6.0
Chattooga	21,800	-100	-.5	Gwinnett	323,500	156,700	94.0
Cherokee	86,500	34,800	67.3	Habersham	28,200	3,200	12.7
Clarke	77,900	3,500	4.6	Hall	90,000	14,400	19.0
Clay	3,500	-100	-2.6	Hancock	9,300	-200	-2.0
Clayton	172,500	22,200	14.7	Haralson	20,800	2,400	12.9
Clinch	6,700	100	.9	Harris	17,700	2,300	14.7
Cobb	425,300	127,600	42.9	Hart	19,900	1,300	7.2
Coffee	30,100	3,200	12.0	Heard	7,700	1,100	17.5
Colquitt	37,200	1,800	5.1	Henry	54,000	17,700	48.7
Columbia	62,500	22,400	55.9	Houston	88,800	11,200	14.4
Cook	14,100	700	4.8	Irwin	9,000	0	.5
Coweta	50,700	11,500	29.2	Jackson	30,000	4,700	18.5
Crawford	7,500	-200	-2.7	Jasper	8,100	500	6.8
Crisp	20,300	900	4.4	Jeff Davis	12,100	700	5.8

(continued)

Table 4 (continued)

1988 Population Estimates By County, with Change from 1980

County	July 1, 1988 Population Estimate	Population Change 1980 to 1988 Number	Percent	County	July 1, 1988 Population Estimate	Population Change 1980 to 1988 Number	Percent
Jefferson	18,500	100	.7	Richmond	191,400	9,800	5.4
Jenkins	8,500	-300	-3.8	Rockdale	51,900	15,300	41.9
Johnson	8,700	100	.6	Schley	3,500	100	2.9
Jones	19,300	2,800	16.6	Screven	15,200	1,100	8.1
Lamar	13,100	900	7.4	Seminole	8,700	-400	-4.3
Lanier	5,800	100	2.2	Spalding	54,900	7,000	14.7
Laurens	39,200	2,200	5.9	Stephens	23,300	1,500	7.1
Lee	15,500	3,800	32.9	Stewart	5,600	-300	-4.4
Liberty	42,100	4,500	12.1	Sumter	29,600	300	1.0
Lincoln	7,200	500	7.8	Talbot	7,100	500	8.1
Long	5,200	700	14.7	Taliaferro	2,000	-100	-3.4
Lowndes	73,000	5,000	7.4	Tattnall	18,300	200	.9
Lumpkin	13,000	2,300	21.2	Taylor	7,900	0	.2
McDuffie	20,200	1,700	9.2	Telfair	11,000	-500	-4.3
McIntosh	9,300	1,300	15.7	Terrell	11,600	-400	-3.1
Macon	13,800	-300	-1.8	Thomas	39,100	1,000	2.8
Madison	20,900	3,200	18.0	Tift	34,500	1,600	4.9
Marion	5,300	0	.6	Toombs	24,400	1,800	8.1
Meriwether	21,700	500	2.4	Towns	6,700	1,100	19.2
Miller	7,000	0	-.1	Treutlen	6,200	100	1.7
Mitchell	21,500	400	1.8	Troup	53,600	3,600	7.2
Monroe	15,800	1,200	7.9	Turner	9,400	-100	-.7
Montgomery	7,200	200	2.5	Twiggs	9,700	400	3.9
Morgan	13,000	1,400	12.0	Union	11,400	2,000	21.2
Murray	24,300	4,600	23.3	Upson	27,200	1,200	4.5
Muscogee	178,500	8,400	5.0	Walker	58,300	1,800	3.2
Newton	43,300	8,600	24.9	Walton	35,700	4,500	14.5
Oconee	15,800	3,300	26.8	Ware	36,800	-400	-1.0
Oglethorpe	9,700	800	8.5	Warren	6,500	0	-.5
Paulding	36,400	10,300	39.4	Washington	19,400	500	2.9
Peach	20,700	1,600	8.1	Wayne	22,300	1,600	7.6
Pickens	14,400	2,700	23.4	Webster	2,100	-200	-8.8
Pierce	13,300	1,400	11.4	Wheeler	5,000	-100	-2.4
Pike	9,400	400	4.8	White	12,600	2,500	24.5
Polk	34,200	1,800	5.6	Whitfield	70,600	4,800	7.3
Pulaski	8,600	-400	-3.9	Wilcox	7,600	0	-.6
Putnam	12,800	2,500	24.6	Wilkes	11,000	100	.5
Quitman	2,300	-100	-3.1	Wilkinson	11,000	600	6.1
Rabun	11,200	700	6.9	Worth	18,800	800	4.2
Randolph	9,000	-600	-6.2	Georgia	6,342,000	879,000	16.1

Note: Percentage changes are based on unrounded data and may not correspond to rounded estimates.

Source: Atlanta Regional Office, U.S. Department of Commerce, Bureau of Census, Components of Change, 1980-1988, Georgia, unpublished data, August 1989.

rounded by counties experiencing greater percentage change population growth. This "doughnut" effect is demonstrated to a lesser degree in the Macon-Warner Robins and Columbus MSAs. This is not the case in the Albany MSA, however, which is Georgia's smallest metro area and one in which most of its population live within the central city.

For a more precise example, the Athens MSA's Clarke County, which wholly contains the title central city, increased by approximately 14,700 residents, growing 4.6 percent between 1980 and 1988. The "doughnut" is formed around Clarke County by the five surrounding counties which have grown at substantially higher rates since 1980: Barrow (28.6 percent), Oconee (26.8 percent), Jackson (18.5 percent), Madison (18 percent), and Olgethorpe (8.5 percent). Similarly, Richmond County,which contains the central city of Augusta, grew by 5.4 percent. It is surrounded by four counties showing substantially higher growth: Columbia (55.9 percent), McDuffie (9.2 percent), Burke (9.9 percent), and Aiken County, South Carolina (15.7 percent).

IMPLICATIONS OF POPULATION CHANGE AND LOCATIONAL SHIFTS

Population growth has changed in the economic, social and political structure of the state. With tremendous expansion in its industrial sectors, Georgia is recognized as a dominant force in the economic revitalization of the Southeast, achieving national and regional importance. Much of the labor force necessary for this growth has been drawn from the large number of people migrating into the state. Nationally and regionally, however, the long economic expansion is leveling out. While new residents have been attracted by a favorable climate and an expanding economy, it is clear that Georgia, like the rest of the nation, should expect a more stable economic future.

In order to sustain the current level of economic activity, Georgia's leaders need to keep, and accommodate, its diverse and newly acquired workforce. Economic success has not only helped to boost the total population but also provided the economic freedom and opportunity which allowed them to choose where they will work and where they will live. While metropolitan central city areas still are the major focus for employment, many people may choose to live farther away and commute to work. Others will seek work closer to their suburban residences. Business development analysts in the Atlanta area point to the emergence of "satellite" business centers, nodes of business activity located in suburban areas rather than in the traditional central city, as a trend likely to continue.

The changes in Georgia's population also will bring considerable shifts in the political structure of the state, both nationally and locally. The additional population certainly will bring increased representation in the U.S. House of Representatives; however, the most compelling impact will take place in Georgia's State House. New population distributions are expected to affect current voting district boundaries, with consequential shifts in the political makeup of the Georgia House and Senate. The changed demographic profile of the Georgia population surely will be reflected in changes in the profile of Georgia's elected representatives, from national offices down to most local districts.

GEORGIA BUSINESS STATISTICS

SERIES	NOV 1989	OCT 1989	SEPT 1989	NOV 1988
Georgia Leading Indicators Index[1] (1969=100)	171.48	174.21	174.13	179.06
Georgia Coincident Indicators Index[2] (1969=100)	614.52	610.48	610.99	609.73
Nonagricultural Employment[2] (thousands)	2,959.8	2,953.2	2,939.6	2,929.5
Manufacturing Employment[2] (thousands)	562.0	566.5	566.4	571.7
Average Weekly Earnings, Manufacturing[2] (dollars)	365.38	367.85	369.22	362.34
Help Wanted Advertising, Atlanta Index[3] (1967=100)	215	220	218	276
Taxable Retail Sales[4] ($ millions)	4,116.4	3,439.4	3,947.5	3,659.0
Building Permits[5]				
Residential Housing Units, Private (thousands)	3.7	4.3	4.6	5.1
Value of Residential Housing ($ thousands)	220,713	266,748	263,874	260,148
Value of Nonresidential Construction ($ thousands)	174,617	204,281	154,173	159,350
Industrial Buildings	15,757	26,301	14,499	12,548
Office, Bank and Other Professional Buildings	19,245	16,329	19,723	40,651
Stores and Other Mercantile Buildings	55,279	42,766	41,809	27,622
Other	84,336	118,885	78,142	78,529
Consumer Price Index[6] (CPI-U, all items)				
South U.S. (1982-84 = 100)	123.2	123.0	122.5	118.3
South/Population more than 1,200,000[a]	124.0	123.9	123.5	118.9
South/Population 450,000 - 1,200,000[a]	124.7	124.5	123.9	119.6
South/Population 50,000 - 450,000[a]	121.6	121.7	120.9	117.4
South/Population Less than 50,000[a]	121.3	120.7	120.2	116.3
Atlanta (1982-84=100)[b]	124.9[c]	–	–	119.1[c]
Prices Received by Farmers, Georgia Index[7] (1977=100)	133[r]	135	142[r]	129
	1989:III	**1988:II**	**1988:I**	**1988:III**
Total Personal Income[8] ($ millions)	106,014	104,152	101,530	97,889

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[1] Georgia Economic Forecasting Project, Division of Research, College of Business Administration, University of Georgia. Initial monthly values subject to revision.

[2] Labor Information Systems, Georgia Department of Labor.

[3] Series published by The Conference Board, Inc.

[4] Derived by the Division of Research, College of Business Administration, University of Georgia, from data of the Sales and Use Tax System, Georgia Department of Revenue. Data for April and May, 1989 reflect computational changes because of the April, 1989 increase in the state sales tax rate.

[5] U.S. Department of Commerce, Bureau of the Census.

[6] U.S. Department of Labor, Bureau of Labor Statistics, Southeastern Regional Office.

[7] Georgia Department of Agriculture, Georgia Crop Reporting Service.

[8] U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System.

[a] Group size revised as of January 1, 1987; indexes revised to 1982-84=100 base as of January, 1988.

[b] Atlanta index is average of each 6 months of the calendar year; base revised to 1982-84=100 as of January 1, 1988.

[c] Data are for 1st half, 1989, and 1st half, 1988, respectively.

[r] Revised.

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GEORGIA BUSINESS AND ECONOMIC CONDITIONS

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Georgia's Economic Forecast for 1990 and 1991

Jeffrey M. Humphreys

After sprinting through much of the last decade, Georgia's economy will slow down and take a breather during 1990. This latest outlook, produced in March by the Georgia Economic Forecasting Project, also indicates that slow growth is expected for 1991. Nonfarm employment is projected to increase by only 1.7 percent and 2 percent in 1990 and 1991, respectively, while real personal income will climb by 2.1 percent and 2.2 percent. Although the economy remained basically healthy during 1989, its mixed signals indicate that the expansionary pace established during the mid-1980s cannot be maintained as Georgia enters the 1990s.

Despite relatively low overall growth rates, the services sector continues to expand rapidly and is expected to generate 20,000 new jobs in both 1990 and 1991. The continuing strength of services remains a driving force behind the state's economy and takes on increasing importance as manufactur-

Table 1

Georgia Personal Income Forecasts, Percent Change, 1990 and 1991

	1986	1987	1988	1989	1990	1991
Total Personal Income	7.2%	4.9%	3.8%	3.5%	2.1%	2.2%
Nonfarm Personal Income	7.1	4.9	3.7	3.3	2.1	2.2
Earnings By Industry						
Ag. Serv., For., Fish., Other	1.0	17.3	6.3	-5.4	1.6	1.9
Mining	-16.2	4.6	2.7	0.1	0.2	0.8
Construction	13.7	-1.0	-1.3	-6.0	-2.1	0.2
Manufacturing	6.0	2.7	-0.1	-1.4	-0.3	0.0
Trans., Comm., Public Utilities	7.2	6.3	1.9	0.1	1.9	2.0
Wholesale & Retail Trade	4.6	4.6	5.2	2.5	2.1	2.5
Fin., Ins., Real Estate	14.5	8.3	5.1	0.2	1.9	2.2
Services	13.4	10.0	7.0	5.4	4.1	3.9
Government	4.7	4.8	4.5	5.4	3.8	2.9
Farm Personal Income	15.2	1.4	10.7	14.6	4.0	2.7

Source: Georgia Economic Forecasting Project, Division of Research, College of Business Administration, The University of Georgia, March 1990.

Table 2

Georgia Personal Income Forecasts, 1990 and 1991
(millions of 1982-1984 dollars)

	1986	1987	1988	1989	1990	1991
Total Personal Income	75,123.5	78,799.9	81,808.1	84,652.3	86,424.6	88,335.1
Nonfarm Personal Income	74,108.0	77,770.4	80,668.4	83,346.7	85,066.2	86,939.9
Earnings By Industry						
Ag. Serv., For., Fish., Other	227.9	267.4	284.2	268.8	273.0	278.0
Mining	240.4	251.5	258.5	258.7	259.1	261.1
Construction	4,158.8	4,116.5	4,063.4	3,821.5	3,741.5	3,749.9
Manufacturing	11,877.2	12,197.2	12,184.5	12,013.1	11,975.8	11,978.3
Trans., Comm., Public Utilities	5,432.5	5,772.9	5,882.1	5,888.5	6,002.6	6,124.6
Wholesale & Retail Trade	11,168.9	11,680.1	12,287.2	12,589.0	12,859.5	13,181.5
Fin., Ins., Real Estate	3,734.7	4,046.0	4,251.1	4,257.7	4,340.1	4,437.5
Services	11,200.3	12,323.7	13,189.6	13,895.5	14,467.3	15,027.0
Government	8,245.2	8,644.7	9,030.2	9,517.3	9,880.6	10,167.0
Farm Personal Income	1,015.3	1,029.5	1,139.5	1,305.6	1,358.4	1,395.2

Source: Georgia Economic Forecasting Project, March 1990.

ing and construction employment falters. The demand for management consultants and health service professionals is expected to mushroom during the 1990s.

The government sector also will be a prime source of new jobs throughout 1990 and 1991. These new jobs will be generated by local governments and, to a lesser extent, state government. Georgia is unlikely to see an increase in the number of federal jobs during 1990 and 1991. The reduced emphasis on military spending combined with Gramm-Rudman budget targets may even cost the state a few federal jobs. It should be noted, however, that the proposed military job losses in Georgia are small.

Formerly a major force behind the expansion of the state's economy, the prospects for rapid growth in the retail sector

GEORGIA BUSINESS AND ECONOMIC CONDITIONS

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Table 3

Georgia Employment and Tax Revenue Forecasts, Percent Change, 1990 and 1991

	1986	1987	1988	1989	1990	1991
Nonfarm Employment	4.0%	4.1%	3.5%	2.1%	1.7%	2.0%
Employment By Industry						
Mining	2.5	2.7	5.0	-0.3	-0.2	-0.2
Construction	5.7	0.2	-2.1	-4.0	-0.6	0.4
Manufacturing	1.3	1.2	0.5	-1.6	-0.4	-0.1
Trans., Comm., Public Utilities	3.2	4.2	3.9	1.3	1.8	1.8
Wholesale & Retail Trade	3.8	5.2	5.1	3.6	1.6	2.4
Fin., Ins., Real Estate	6.8	6.4	3.7	1.4	1.5	2.4
Services	7.3	7.3	5.7	4.4	3.4	3.2
Government	3.0	3.1	3.9	3.8	2.9	2.5
Total Taxable Sales	3.8	2.3	1.4	-3.5	1.0	1.4
Total Tax Revenue	4.9	5.5	2.7	9.0	3.9	2.3
Housing Permits (units)	2.7	-15.9	0.1	-18.8	0.1	0.2

Source: Georgia Economic Forecasting Project, March 1990.

Table 4

Georgia Employment and Tax Revenue Forecasts, 1990 and 1991

	1986	1987	1988	1989	1990	1991
Nonfarm Employment	2,672.4	2,782.0	2,879.2	2,939.2	2,988.8	3,047.7
Employment By Industry						
Mining	8.3	8.5	8.9	8.9	8.9	8.8
Construction	152.0	152.2	149.0	143.0	142.1	142.7
Manufacturing	564.6	571.2	574.0	564.8	562.6	562.3
Trans., Comm., Public Utilities	168.3	175.4	182.4	184.8	188.1	191.2
Wholesale & Retail Trade	667.8	702.7	738.2	764.9	777.1	795.9
Fin., Ins., Real Estate	146.1	155.4	161.2	163.4	165.8	169.7
Services	503.4	539.9	570.5	595.3	615.4	635.2
Government	462.2	476.7	495.2	514.1	528.8	541.9
Total Taxable Sales	54,749.7	56,031.6	56,808.7	54,798.1	55,363.5	56,120.1
Total Tax Revenue*	4,461.7	4,706.8	4,835.1	5,270.7	5,476.2	5,601.7
Housing Permits (units)	76,342	64,212	64,256	5,2160	52,223	52,307

Employment is in thousands of workers. Total taxable sales and total tax revenue are in millions of 1982-1984 dollars.

*1989 and 1990 total tax revenue figures reflect the impact of the 4% state sales tax that went into effect in 1989.

Source: Georgia Economic Forecasting Project, March 1990.

appear bleak. Retail employment is expected to increase by only 1.6 percent in 1990. Several factors explain the lackluster retail forecast: (1) many retail markets are at or near saturation levels; (2) the sales of big ticket consumer durables are sluggish and consumer confidence levels have been declining for several months; and (3) jobs lost due to the bankruptcies of many retail chains operating in Georgia must be offset before net gains can be counted.

The construction sector has been declining since 1987 and took a hard hit in 1989. Although housing permits dropped by 18.8 percent in 1989, the forecast for 1990 and 1991 indicates that the sector will stabilize. High mortgage interest rates and a large inventory of unsold and/or vacant properties have constrained the construction of new units. Demographic trends indicate that the real estate market will rebound; however, a strong rebound may be several years away.

The manufacturing sector is expected to contract slightly during 1990 and to stabilize in 1991. Relatively high interest rates, weak demand for construction-related products and consumer durables, and defense cutbacks partially explain the contraction. Furthermore, declining corporate profits and reduced operating rates indicate that business investment in plant and equipment will be modest.

In summary, the forecast indicates that the Georgia economy will experience slow growth during 1990 and 1991. Services and government growth will remain strong while construction and manufacturing stagnate. The state's economy will avoid a recession in 1990 provided the national economy does so. At the national level, the odds of a mild recession in 1990 still are relatively small, about 25 percent. If the national economy slips into a recession, the Georgia economy probably will follow, since it lacks the strength to resist a national trend.

The Impact of the Georgia Hospital Industry on the State's Economy

Marcus T. Allen
Charles F. Floyd
William A. Schaffer

The primary objective of the Georgia hospital industry is to provide modern, convenient health-care services. By doing so, the hospital industry contributes significantly to the quality of life, and helps make the state more attractive to people and industry, and thereby aids in Georgia's overall economic development. In addition to this long-term economic impact, the daily operations of the industry contributes significantly to the state's economy by generating monetary flows to other industries and households in the form of wages and through purchases of goods and services.

The purpose of this study is to measure the total economic impact of hospital expenditures as the funds are recirculated through the state's economy. First, we identify the *direct* effects of the hospital industry by estimating employment, revenues, and expenditures. These direct effects are then combined with an input-output model to estimate the *indirect* effects of the industry on the economy. Together, the indirect and direct effects provide the necessary economic measurement.

HOSPITAL REVENUES AND EXPENDITURES

Total revenues to Georgia hospitals from all sources exceeded $4.7 billion in 1987, and expenses were over $4.3 billion. Of these revenues, $1.8 billion originated from federal sources, and $2.9 billion from state sources. Table 1 shows the various sources of funds for Georgia's hospital industry, including Medicare, Medicaid, federal and in-state revenues.

HOSPITAL EMPLOYMENT IN GEORGIA

Hospitals, as a labor-intensive service industry, are major employers in Georgia. As a result, the industry provides a dramatic direct economic contribution by creating and maintaining a large number of jobs. The state's hospitals employed approximately 100,500 full-time equivalent workers in 1987, with an additional 2,000 full-time trainees. Because hospitals also employ part-time workers, the actual number of people employed is higher than the figures cited in Table 2. These workers fill a wide array of jobs, with compensation exceeding

Table 1

Georgia Hospital Revenues, 1987 (millions)

Estimated in-state net revenues	$2,899.4
Estimated federal revenues	
Federal hospital revenues	442.9
Medicare net revenues	1,214.3
Federal Medicaid net revenues	189.9
Estimated federal net revenues	$1,847.0
Total net revenues, all sources	$4,746.0

Source: 1987 American Hospital Association, National Statistics, and the Georgia Hospital Association.

Table 2

Georgia Hospital Industry

Employment and Compensation, 1980-1987

Year	Full-time Equivalent Personnel	Full-time Trainees	Labor Expenses (000s of $)*	Total Expenses (000s of $)	Percent of Total Expenses
1980	80,584	1,597	1,062,775	1,880,395	56.5
1981	87,425	1,531	1,268,989	2,224,794	57.0
1982	92,783	1,677	1,474,467	2,564,699	57.5
1983	89,857	1,818	1,649,351	2,902,690	56.8
1984	89,985	1,674	1,780,809	3,121,243	57.1
1985	91,971	1,739	1,920,373	3,418,174	56.2
1986	95,971	1,958	2,157,427	3,888,422	55.5
1987	100,557	2,033	2,395,613	4,384,551	54.6

* Includes wages and salaries, plus benefits.

Source: American Hospital Association, *Hospital Statistics*, 1980-1987.

$2.3 billion in 1987. In that year, labor expenses accounted for over 54 percent of the total expenses incurred by the Georgia hospital industry. Between 1980 and 1987, the industry distributed more than $13.7 billion in wages and benefits to hospital employees.

INDIRECT IMPACTS

The hospital industry also indirectly affects the economy as the funds originally spent by hospitals continue to circulate throughout the communities they serve. Revenues received are used to purchase goods and services from other industries and to pay employees' wages. In turn, these funds are spent, creating a multiplier effect for each dollar of original revenue to the hospital industry.

This indirect or multiplier effect was estimated by determining the interrelationships between hospitals and various industries in the state, using the economic base theory which divides the economy into export and import sectors. Export industries in the "local" economy (in this case, the state) obtain income from outside the economy and distribute some portion of that income to factors within the economy itself. Not all of this income is directly spent into the local economy, however, since local and regional economies are not totally self-sufficient and must rely on imports for certain goods and services.

As an industry brings in funds from outside the economy, the total economic base of the region expands. The industry pays wages to employees and also makes purchases from other industries, both in-state and out-of-state. The in-state employers pay their employees and make purchases through successive rounds of spending until the original funds are finally "leaked" from the economy in the form of outside purchases. The series of events that follow the initial injection of income is known as the multiplier effect, and traces the indirect economic effects of the injection.

INPUT-OUTPUT ANALYSIS

An economic model of the inter-industry relationships within Georgia developed at The Georgia Institute of Technology, was modified specifically to focus on the role of the hospital industry in the state's economy. The input-output model identifies the relationships between industry categories by measuring the flow of funds from one industry to another. The results of our analysis reveal that incremental income to the hospital industry has a significant effect on Georgia's economy through households, other industries, and the state and local governments. For each additional dollar in revenue to hospitals, households earn 82 cents as the funds circulate through the economy. So, if the hospital industry receives an additional $1 million, households would benefit by $820,000.

The multiplier for new industrial activity stemming from additional revenue to hospitals is 1.82, which means that for every new dollar of revenue earned by the hospital industry,

Table 3

Comparison Multipliers

New Industrial Activity:	Multiplier
Food	1.899
Hospitals	1.820
Other Services	1.792
Entertainment/Recreation	1.775
Construction	1.775
Textile	1.430
Petroleum	1.394
Tobacco	1.232
New Household Income:	
Hospitals	.820
Other Services	.800
Retail Trade	.652
Wholesale Trade	.595
Petroleum	.219
Tobacco	.180

other industries within the state are estimated to earn $1.82 as a result. This dramatic impact is due to several factors, including the employment intensity of the industry which quickly distributes revenues directly into the economy and the dependence by hospitals on goods and services produced within the state. As a result of the increased industrial activity and household income generated by revenues to hospitals, state and local governments earn an additional 75 cents in tax revenues for every new dollar the hospital industry earns.

The sum of these multipliers yields an estimate of the total impact on the Georgia economy of approximately $2.72 for each additional dollar received by the hospital industry in the form of revenues.

For comparison purposes, Table 3 presents multipliers calculated for randomly selected industries via the same input-output model. In terms of new industrial activity, the hospital industry ranks second among 36 industrial categories defined by the input-output model. It ranks first when compared with new household income multipliers for the same industrial categories.

SUMMARY

Georgia's hospital industry contributes to the state's economy directly through payments to households and other industries and indirectly as these payments recirculate through the economy. Hospitals employed over 100,000 persons and paid over $2.3 billion in wages during 1987, with non-wage expenditures in that year approaching $2 billion. The multiplier effect of hospital revenues was estimated by using an input-output model to determine the relationships that exist between industry, government, and households in Georgia. The multiplier derived from this analysis was 2.715 and can be used to estimate the total economic impact of additional revenue to the hospital industry. Revenue to the hospital industry in 1987 was $4.7 billion with $1.8 billion, representing "export" income from federal sources. The indirect impact of this additional revenue was approximately $3.2 billion, raising the total economic impact of the hospital industry to approximately $7.9 billion.

Marcus T. Allen is a doctoral candidate in real estate at The University of Georgia; Charles F. Floyd is professor of real estate at The University; and William A. Schaffer is professor of management at the Georgia Institute of Technology.

Georgia's Taxable Sales in 1989

Georgia's total taxable sales increased by only 1 percent in 1989, rising from $67,204,656,000 to $67,900,806,000, according to estimates prepared by the Division of Research. Total retail sales (including food, apparel, general merchandise, automotive, furniture, and miscellaneous sales) rose by 2.2 percent. Food and apparel had increases of 3.8 and 3 percent, respectively; with an 11.8 percent increase, the miscellaneous group was the strongest performer. Year-to-year declines in automotive, manufacturing, and lumber and construction sales reflected the economic problems facing those industries, and reduced overall gains, although service industries' taxable sales grew by 3.8 percent.

Sales' slow growth primarily reflects a moderating economic climate during the year, but also may have been influenced somewhat by technical revisions rising from the change in Georgia's state sales tax rate. On April 1, 1989, the tax rate rose from 3 percent to 4 percent. The increase, the first since the tax was imposed in 1951, required changes in the process by which sales tax revenue data from the Georgia Department of Revenue are converted to estimates of taxable sales for the state and its counties.

Monthly taxable sales estimates are prepared by a multistep process because direct reports of sales are not available. At the state level, "money collected" revenue data for state sales tax receipts and for the state sales tax on motor fuel, for ten industrial (commodity) groups, are summed for each group. These values include penalties and interest, without allowance for vendor compensation, as well as both sales and use taxes. The totals are multiplied by a conversion factor supplied by the Georgia Department of Revenue, based on the effective sales tax rate, to yield industrial sales estimates. Six of the commodity group values are then summed as "retail sales" (see table); the sum of all ten categories is total taxable sales at the state level. The data are lagged by one month to reflect the actual time of economic activity, rather than the report date.

At the county level, the estimates depend first on the "total tax" value per county, drawn from DOR's "Distribution of Outside Tax" report. This report distributes state sales tax revenues collected to individual counties, and is used without adjustment. From DOR's "Distribution of Motor Fuel Tax" report, the "money collected" value for each county is adjusted to allocate certain statewide motor fuel sales tax values to individual counties. The sum of the adjusted motor fuel sales tax revenue and state sales tax revenue is then multiplied by the conversion factor, to obtain dollars of taxable sales. Because commodity group data are not available at the county level, no county industrial or retail sales estimates are prepared.

The shift in the sales tax rate (which applied to all sales, whether of motor fuel or other commodities) required a change in the conversion factor applied to revenue data to estimate actual sales. Because the change took place on April 1, data for the first three months of the year were converted using the factor 33.55705, appropriate to the 3 percent rate; data for the remaining nine months of the year were converted by the factor 25.16779, for the 4 percent rate.

The conversion factors were applied to monthly tax revenues as reported. The Georgia Department of Revenue notes, however, that some taxable transactions (particularly contracts signed before April 1) reported after the rate change actually occurred before the rate shift, and therefore carried the lower sales tax rate. While the Department of Revenue takes such transactions into account for individual taxpayers, revised monthly aggregate reports are not published. Therefore, revenues that were shifted forward into a month to which the new, lower factor applied, rather than the month in which contracts were written, cannot be identified. To the extent that taxes on such transactions were reported after April 1, 1989, the effect of the new conversion factor is to understate economic activity. The size of the effect at the state and county levels cannot be determined from the data now available, but it may have contributed to lower rates of taxable sales growth in some areas. Annual changes therefore should be interpreted cautiously.

Suzanne A. Lindsay

Taxable Sales in Georgia, 1988-1989, by Industry and County

(sales reported in thousands of dollars)

Industry	Total 1988	Total 1989	Annual Percent Change 1988-1989	Industry	Total 1988	Total 1989	Annual Percent Change 1988-1989
Food	14,319,411	14,862,665	3.8	Services	5,408,837	5,614,210	3.8
Apparel	1,762,336	1,814,863	3.0	Manufacturing	4,409,927	4,241,774	-3.8
Genl. Merch.	8,870,294	9,060,999	2.1	Utilities	8,181,179	8,192,998	0.1
Automotive	11,101,523	10,800,924	-2.7	Miscellaneous	4,206,109	4,704,164	11.8
Furniture	4,243,008	4,259,047	0.4				
Lumber, Const.	4,702,033	4,349,163	-7.5	Total Retail	44,502,680	45,502,662	2.2
County				County			
Appling	123,088	125,835	2.2	Dade	65,118	69,639	6.9
Atkinson	26,662	27,478	3.1	Dawson	42,395	43,085	1.6
Bacon	125,788	128,967	2.5	Decatur	269,347	272,383	1.1
Baker	9,370	9,285	-0.9	DeKalb	7,216,419	7,432,977	3.0
Baldwin	265,715	278,876	5.0	Dodge	81,991	87,350	6.5
Banks	45,683	58,497	28.0	Dooly	75,419	82,194	9.0
Barrow	223,900	214,190	-4.3	Dougherty	1,205,160	1,214,017	0.7
Bartow	426,677	442,471	3.7	Douglas	602,984	599,048	-0.7
Ben Hill	123,539	124,062	0.4	Early	170,042	177,690	4.5
Berrien	104,374	98,680	-5.5	Echols	2,646	2,182	-17.6
Bibb	1,859,300	1,794,332	-3.5	Effingham	105,707	99,954	-5.4
Bleckley	43,149	45,502	5.5	Elbert	137,782	135,399	-1.7
Brantley	47,491	47,765	0.6	Emanuel	134,263	128,934	-4.0
Brooks	51,768	52,962	2.3	Evans	108,512	105,971	-2.3
Bryan	95,031	103,877	9.3	Fannin	109,804	114,267	4.1
Bulloch	308,150	333,447	8.2	Fayette	333,600	352,328	5.6
Burke	98,337	91,082	-7.4	Floyd	817,784	807,114	-1.3
Butts	147,801	161,239	9.1	Forsyth	415,228	440,892	6.2
Calhoun	18,951	19,677	3.8	Franklin	150,632	155,650	3.3
Camden	172,246	174,476	1.3	Fulton	11,069,368	11,237,573	1.5
Candler	73,414	75,542	2.9	Gilmer	117,820	113,492	-3.7
Carroll	643,494	629,311	-2.2	Glascock	6,040	4,587	-24.1
Catoosa	320,949	317,674	-1.0	Glynn	839,045	862,146	2.8
Charlton	42,068	42,054	0.0	Gordon	303,204	337,823	11.4
Chatham	2,843,337	2,750,271	-3.3	Grady	137,445	147,560	7.4
Chattahoochee	16,503	15,393	-6.7	Greene	80,527	82,119	2.0
Chattooga	133,495	130,161	-2.5	Gwinnett	4,292,517	4,272,683	-0.5
Cherokee	418,067	414,252	-0.9	Habersham	275,879	294,577	6.8
Clarke	988,919	1,011,616	2.3	Hall	1,103,807	1,104,901	0.1
Clay	11,544	11,622	0.7	Hancock	26,645	27,450	3.0
Clayton	2,131,121	2,035,509	-4.5	Haralson	142,969	139,094	-2.7
Clinch	42,467	42,256	-0.5	Harris	125,201	123,818	-1.1
Cobb	5,464,499	5,450,613	-0.3	Hart	161,260	147,685	-8.4
Coffee	256,815	266,837	3.9	Heard	19,372	21,594	11.5
Colquitt	320,883	328,677	2.4	Henry	320,029	331,064	3.4
Columbia	260,292	273,913	5.2	Houston	651,163	642,142	-1.4
Cook	97,780	96,789	-1.0	Irwin	43,663	38,567	-11.7
Coweta	419,366	427,631	2.0	Jackson	358,394	396,625	10.7
Crawford	18,027	18,812	4.4	Jasper	36,880	35,140	-4.7
Crisp	213,390	222,436	4.2	Jeff Davis	163,451	164,324	0.5

continued

Taxable Sales in Georgia, 1988-1989, by Industry and County (continued)

(sales reported in thousands of dollars)

County	Total 1988	Total 1989	Annual Percent Change 1988-1989	County	Total 1988	Total 1989	Annual Percent Change 1988-1989
Jefferson	146,598	152,334	3.9	Richmond	2,039,207	2,139,241	4.9
Jenkins	45,229	46,393	2.6	Rockdale	536,890	584,215	8.8
Johnson	28,022	28,170	0.5	Schley	18,570	17,290	-6.9
Jones	94,138	97,061	3.1	Screven	86,490	94,239	9.0
Lamar	81,008	83,275	2.8	Seminole	78,868	81,596	3.5
Lanier	30,133	32,455	7.7	Spalding	469,466	478,953	2.0
Laurens	424,183	484,709	14.3	Stephens	201,759	198,695	-1.5
Lee	22,692	25,315	11.6	Stewart	21,330	22,288	4.5
Liberty	222,549	228,918	2.9	Sumter	242,695	245,854	1.3
Lincoln	30,461	29,853	-2.0	Talbot	46,748	45,951	-1.7
Long	7,374	6,516	-11.6	Taliaferro	4,447	7,005	57.5
Lowndes	797,661	844,825	5.9	Tattnall	106,132	109,999	3.6
Lumpkin	95,704	96,997	1.4	Taylor	166,915	165,438	-0.9
Macon	77,577	86,594	11.6	Telfair	60,778	60,906	0.2
Madison	48,285	55,108	14.1	Terrell	51,501	55,802	8.4
Marion	20,926	22,737	8.7	Thomas	388,915	365,953	-5.9
McDuffie	161,984	155,425	-4.0	Tift	355,922	380,430	6.9
McIntosh	58,298	62,823	7.8	Toombs	232,910	230,151	-1.2
Meriwether	141,214	137,172	-2.9	Towns	66,976	68,618	2.5
Miller	36,223	37,824	4.4	Treutlen	19,690	21,169	7.5
Mitchell	134,494	140,208	4.2	Troup	626,572	655,237	4.6
Monroe	107,584	98,029	-8.9	Turner	50,174	50,412	0.5
Montgomery	20,967	22,830	8.9	Twiggs	50,408	45,207	-10.3
Morgan	103,880	100,852	-2.9	Union	70,966	73,327	3.3
Murray	150,377	141,596	-5.8	Upson	164,979	167,514	1.5
Muscogee	1,878,308	1,819,604	-3.1	Walker	324,690	308,659	-4.9
Newton	284,979	308,801	8.4	Walton	309,889	319,406	3.1
Oconee	70,655	63,062	-10.7	Ware	303,952	307,651	1.2
Oglethorpe	37,373	36,518	-2.3	Warren	21,617	19,361	-10.4
Paulding	214,180	205,873	-3.9	Washington	193,810	187,006	-3.5
Peach	132,708	152,530	14.9	Wayne	224,732	220,618	-1.8
Pickens	211,020	205,009	-2.8	Webster	4,858	5,274	8.6
Pierce	67,831	69,307	2.2	Wheeler	22,579	22,475	-0.5
Pike	29,148	30,599	5.0	White	156,505	169,056	8.0
Polk	205,118	203,247	-0.9	Whitfield	1,255,507	1,250,271	-0.4
Pulaski	43,123	46,547	7.9	Wilcox	20,425	19,732	-3.4
Putnam	77,508	81,094	4.6	Wilkes	111,544	109,214	-2.1
Quitman	7,238	5,883	-18.7	Wilkinson	161,081	171,099	6.2
Rabun	94,252	96,284	2.2	Worth	91,241	92,272	1.1
Randolph	48,951	50,740	3.7	Georgia	67,204,656	67,900,806	1.0

Note: Figures rounded to the nearest thousand dollars. Percentages computed on unrounded values.

Note: As of April 1, 1989 the Georgia State Sales Tax was raised from 3 to 4 percent. This change in the base taxation rates makes year-to-year comparisons of sales for 1988 and 1989 difficult.

Source: Derived by the Division of Research, College of Business Administration, University of Georgia, from data of the Sales and Use Tax System, Georgia Department of Revenue. Sales include the value of all taxable items, as reported by firms selling or acquiring them, plus penalties and interest collected.

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GEORGIA BUSINESS STATISTICS

SERIES	JAN 1990	DEC 1989	NOV [illegible]	JAN 1989
Georgia Leading Indicators Index[1] (1969=100)	188.28	185.59	183.68	187.92
Georgia Coincident Indicators Index[2] (1969=100)	640.36	631.00	624.67	604.09
Nonagricultural Employment[2] (thousands)	2,981.8	3,014.1	2,993.9	2,882.9
Manufacturing Employment[2] (thousands)	563.7	571.3	567.0	555.6
Average Weekly Earnings, Manufacturing[2] (dollars)	369.08	381.85	367.09	359.57
Help Wanted Advertising, Atlanta Index[3] (1967=100)	225	236	215	250
Taxable Retail Sales[4] ($ millions)	3,357.1	4,676.8	4,116.4	3,207.9
Building Permits[5]				
Residential Housing Units, Private (thousands)	5.6	3.6	3.7	4.4
Value of Residential Housing ($ thousands)	289,156	194,705	220,713	250,370
Value of Nonresidential Construction ($ thousands)	139,654	171,941	174,617	147,697
Industrial Buildings	7,908	55,894	15,757	8,260
Office, Bank and Other Professional Buildings	23,693	21,375	19,245	20,654
Stores and Other Mercantile Buildings	43,109	28,554	55,279	28,075
Other	64,944	66,118	84,336	90,708
Consumer Price Index[6] (CPI-U, all items)				
South U.S. (1982-84 = 100)	124.6	123.4	123.2	118.9
South/Population more than 1,200,000[a]	125.1	124.0	124.0	119.7
South/Population 450,000 - 1,200,000[a]	126.0	125.1	124.7	119.9
South/Population 50,000 - 450,000[a]	123.3	122.0	121.6	117.8
South/Population Less than 50,000[a]	123.5	121.4	121.3	116.9
Atlanta (1982-84=100)[b]	–	127.3[c]	–	121.7[c]
Prices Received by Farmers, Georgia Index[7] (1977=100)	135	134	133	135
	1989:III	**1988:II**	**1988:I**	**1988:III**
Total Personal Income[8] ($ millions)	106,014	104,152	101,530	97,889

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[1] Georgia Economic Forecasting Project, Division of Research, College of Business Administration, University of Georgia. Initial monthly values subject to revision.

[2] Labor Information Systems, Georgia Department of Labor.

[3] Series published by The Conference Board, Inc.

[4] Derived by the Division of Research, College of Business Administration, University of Georgia, from data of the Sales and Use Tax System, Georgia Department of Revenue. Data for April and May, 1989 reflect computational changes because of the April, 1989 increase in the state sales tax rate.

[5] U.S. Department of Commerce, Bureau of the Census.

[6] U.S. Department of Labor, Bureau of Labor Statistics, Southeastern Regional Office.

[7] Georgia Department of Agriculture, Georgia Crop Reporting Service.

[8] U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System.

[a] Group size revised as of January 1, 1987; indexes revised to 1982-84=100 base as of January, 1988.

[b] Atlanta index is average of each 6 months of the calendar year; base revised to 1982-84=100 as of January 1, 1988.

[c] Data are for 2nd half, 1989, and 2nd half, 1988, respectively.

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GEORGIA BUSINESS AND ECONOMIC CONDITIONS

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Environmental Legislation in the 1990 Session of the Georgia General Assembly

James E. Kundell

The 1990 session has been referred to as the "greening" of the Georgia General Assembly because a number of factors combined to make the environment a popular and demanding public policy arena. The new pro-environmental mood in the country, which coincides with the twentieth birthday of Earth Day, has been nurtured by recent megaproblems such as the Valdez oil spill and the hole in the ozone layer. Local environmental issues, including development of a hazardous waste facility in Taylor County and recent fish kills in West Point Lake still arouse much public debate. On balance, the 1990 session appears to have been a responsive and responsible session for addressing environmental issues.

SOLID WASTE MANAGEMENT

The most significant piece of environmental legislation enacted in the 1990 session was Senate Bill 533, the Comprehensive Solid Waste Management Act. Although presented as an environmental bill, it also could be couched as an economic development bill because the existence of adequate capacity to manage solid waste effectively is an important component of the infrastructure used by local governments to sell their communities to prospective interests. The bill was significant not only because it addresses a growing problem but also because of the process that resulted in widespread support for it. Through the open consensus building effort of the study committee that produced it, the bill was endorsed by the business community, local government officials, environmental organizations, and the waste management industry.

By its target date in 1996, the Solid Waste Management Act's goal is to have reduced waste entering disposal facilities by 25 percent on a statewide per capita basis of the 1991 levels. By setting the goal in these terms, the study committee avoided the pitfalls incorporated in the legislation passed by several other states. First, several states have attempted to mandate recycling, an approach that may be perceived as necessary but one that does not work. It is possible to mandate the separation of recyclable materials from the waste stream but, if no markets are available for these materials, they will be taken to the landfill. Until these materials are turned into useful products and reused, the cycle is incomplete.

The second pitfall avoided in the Georgia bill relates to measuring the amount of waste being generated. Many states have assumed that current waste generation levels were known and based the goal for reducing the waste on those levels. Georgia's legislation recognizes the need to install scales at disposal facilities in order to measure waste generation and to meter progress toward meeting the goal. Since most landfills in the state currently do not have scales and time is required to install them, 1991 was selected as the baseline year for determining how much waste is being disposed of in Georgia and 1996 was set as the target year for meeting the reduction goal.

The third pitfall avoided by SB 533 is the recognition that waste generation and demographic factors are not uniform throughout the state. The goal for waste reduction was set on a statewide per capita basis to account for population growth and regional differences.

To stimulate markets for recovered materials, the bill created the Recycling Market Development Council to determine what actions would expand recycling markets in the state and to make recommendations to the Governor and General Assembly. Since state procurement of recycled and recyclable materials is a major means for expanding markets, the bill directs the Department of Administrative Services to

analyze procurement procedures and recommend changes that would support the state purchase of recovered materials.

The bill also calls for state and local solid waste planning and meshes this with the comprehensive planning required by the 1989 growth strategies legislation. To insure that local governments are actively involved in meeting the waste reduction goal, the bill ties the issuance of permits, grants, and loans to the demonstration of efforts to reduce waste.

The driving force behind reducing the amount of solid waste being disposed is the escalating costs, including liability, associated with the current way of managing solid waste. More stringent standards for landfills and incinerators are being developed at the federal level in order to prevent the environmental problems that may result from poorly sited, designed or operated disposal facilities. As the new standards are implemented, the costs will increase. Expensive landfill capacity should be saved for those materials that are not recoverable, are best disposed of in municipal solid waste landfills, and that do not present problems for landfill operations.

The bill emphasizes the need for education and directs the Georgia Clean and Beautiful Program to take the lead in solid waste management education. In conjunction with the educational effort, one of the most effective means for stimulating waste reduction is to inform people about how much it costs them to dispose of their waste. Tying the cost of the service to the service is important. The bill directs local governments to establish a full cost accounting system for solid waste and to notify their residents annually of these costs.

In addition, the bill institutes a negotiation process to resolve non-environmental issues related to solid waste facilities. Frequently, nearby residents and landowners use environmental grounds to fight a facility siting when their real concerns relate to such issues as a decrease in property value or an increase in nuisance factors such as truck traffic and noise. Through the process included in SB 533, these non-environmental issues may be negotiated and resolved without resorting to court action.

There is little doubt that this bill, coupled with the new federal regulations relating to disposal facilities, will dramatically change how solid waste is managed in Georgia. The study committee's efforts to develop a bill that effectively addresses the problem while avoiding the pitfalls encountered by other states should minimize the problems associated with this change.

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HAZARDOUS WASTE MANAGEMENT

While there is considerable agreement on the development of state policy toward solid waste, less agreement exists on hazardous waste policy. One of the arguments against the development of a hazardous waste disposal facility in the state (potentially sited in Taylor County) is that once the facility is in operation, there will be little incentive for industries to reduce the amount of waste they generate. On the other hand, such a facility is needed since hazardous wastes will continue to be generated. The trick is to size the facility appropriately to the state's needs, which should include realistic projections for waste reduction.

Although the facility being contemplated for Taylor County has been down-sized considerably, the General Assembly perceived the need for additional means to encourage waste reduction. The resulting legislation requires companies which generate more than 2.2 pounds of acute hazardous waste or 2,200 pounds or more of hazardous waste monthly , to develop a hazardous waste reduction plan and submit it to the director of the Environmental Protection Division (EPD). The plan must be updated biennially.

WATER RESOURCES AND WATER QUALITY

Considerable attention during the 1990 session was focused on water resources and water quality. The West Point Lake Study Committee was created in 1989 to investigate the impact of wastewater discharges from the Atlanta metropolitan area on the Chattahoochee River and West Point Lake. This study committee recommended a number of pieces of

legislation relating to water quality.

One issue involves the impact of combined sewer overflows (CSOs) on water quality. Some of the older sewer systems in the state have combined sewer and stormwater collection systems. With increased sewer water due to population growth and increased runoff resulting from development, these systems may become overloaded and raw sewage can be released to the streams. SB 605 requires that the owner or operator of a CSO obtain a permit from the director of the EPD. The director can condition the permit on the achievement of effluent limitations in the shortest reasonable period of time. A companion bill requires the owner or operator of a CSO to submit a detailed plan to eliminate sewage overflow or to treat it so that all water flowing from the CSO into streams meets water purity standards and permit limits for publicly-owned wastewater treatment facilities. A third related bill increased the civil penalty for violating the Georgia Water Quality Control Act from a maximum of $25,000 per day to a maximum of $100,000 per day.

One of the most publicized pieces of water quality legislation in 1990 was SB 696 which bans the sale of high phosphorus (in the form of phosphate) household laundry detergents. Phosphate is not toxic; in fact, it is a requirement for life. The reason phosphate is detrimental to waterways is that it often limits biological activity. Phosphate added to water bodies usually stimulates plant (algae) growth. As long as the system is in balance, this is not a problem. If the plant growth becomes too great, however, the resulting algae bloom depletes dissolved oxygen levels, causing the death of fish and other organisms. Thus, stimulating growth in an aquatic environment through the addition of phosphate makes the system noxious.

In 1989, legislation was introduced to ban statewide the sale of household laundry detergents that contain over 0.5 percent phosphorus by weight. This bill later was amended to reduce the area covered from statewide to only those local governments required by the EPD to reduce phosphorus in their wastewater discharges. It was unclear, however, if other cities and counties could enact resolutions for the same purpose. Many legislators and several interest groups were unsatisfied with the amended law. Consequently, SB 696 was passed in 1990 to expand the ban on the sale of high phosphorus detergents from specific local governments to the entire state — the original intent of the 1989 legislation.

The 1990 debate over low phosphorus detergents probably was more symbolic than substantive. The areas, mainly the metropolitan Atlanta counties, which needed to reduce phosphate levels the most had already implemented requirements to do so. As a result, much of Georgia was already converting to low phosphorus detergents.

Other legislation enforces the use of water conserving plumbing fixtures in construction of residential and commercial buildings, and makes eligibility for some grants and loans to local governments contingent upon adopting these provisions. Another bill directs the EPD to establish and monitor water quality standards for Georgia's lakes. Any lake of at least 500 acres must meet water quality specifications which make it suitable for swimming, fishing, and use as a public water supply.

GROWTH STRATEGIES

During the 1989 session, a package of growth strategies legislation was enacted that addressed comprehensive planning, regional reservoirs, erosion and sedimentation control, and loans for solid waste facilities. Three additional pieces of legislation were enacted in 1990 relating to the work of the Governor's Growth Strategies Commission. Passed in 1989, HB 215 established comprehensive planning requirements for state and local governments. The General Assembly, however, did not adopt the criteria to be met by local government plans and the criteria to protect the important natural resources, environment, and vital areas of the state. These criteria were developed by task forces over the interim. Resolutions were passed during the 1990 session adopting both the criteria for planning, and for the protection of wetlands, water supply watersheds, and ground water recharge areas.

The Georgia Department Impact Fee Act was introduced in 1989 as part of the growth strategies legislation but carried over to the 1990 session. Impact fees are used by local governments to offset costs of additional infrastructure and services needed by new development. This bill establishes fee guidelines and identifies those public facilities on which impact fees can be imposed: water supply production, treatment, and distribution facilities; wastewater collection, treatment, and disposal facilities; roads, streets, and bridges; stormwater collection and flood control facilities; parks, open space, and recreation areas; public safety facilities; and libraries and related facilities.

CONCLUSION

The 1990 session of the Georgia General Assembly enacted some significant pieces of environmental legislation. The Comprehensive Solid Waste Management Act will have a major impact on how solid waste is managed in Georgia. Legislation related to hazardous waste management and water quality, although less comprehensive, addresses a variety of concerns. All affects the state's treatment of its valuable natural resources and will show whether Georgia may continue to boast about the quality of its environment as it attracts new business to the state.

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The 1987 Census of Retail Trade for Georgia

Jeff Humphreys

Since 1967 the Census Bureau has conducted economic censuses every five years, covering years ending in two and seven. The 1987 Census of Retail Trade for Georgia, issued in August 1989, is one of the most up-to-date and complete sources of retail sales, retail employment, and establishment data. This article is part of a series devoted to the data and insights provided by the 1987 economic censuses.

The 1987 Census of Retail Trade covers all retail trade business categories as defined by the 1987 Standard Industrial Classification (SIC) revision. Retail trade includes all establishments primarily engaged in selling merchandise for personal or household consumption and rendering services incidental to the sale of the goods. Government-operated retail establishments (e.g., establishments operated on military bases) are not covered. Complete data for all establishments with payroll are provided for all covered business categories, but the picture of retail activity is incomplete because the census does not report sales for establishments without payroll (i.e., single-person businesses, partnerships, and the like).

This article examines state, metropolitan statistical area, and county level data, presenting comparisons between the 1982 and 1987 retail trade censuses to assess recent trends. Although the two censuses were conducted under similar conditions and procedures, some problems of comparability exist. In 1982 business classifications were based on the 1972 SIC codes as supplemented in 1977. Only the 1987 SIC revised codes were used in the 1987 census. In addition, the geographic boundaries of some MSAs have changed since the 1982 census. All tables and discussions reported in this article therefore have been adjusted for any incompatibilities arising from redefinitions of SIC codes or MSAs.

STATE RETAIL SALES

Throughout the 1980s, retail trade has been one of Georgia's most rapidly expanding sectors in terms of both personal income and employment. Retail sales also have grown substantially. In 1987, Georgia's retail establishments had total sales of $40 billion, representing a 68.5 percent increase over 1982 sales and a net gain of 155,892 jobs. The number of retail establishments increased by 15.7 percent, from 34,391 in 1982 to 39,782 in 1987. During 1987, two categories accounted for slightly more than half of all retail sales: automotive dealers (including gasoline service stations) accounted for 31 percent of total retail sales and food stores accounted for another 19.3 percent.

Rapid retail trade growth from 1982 to 1987 has not been evenly distributed across all retail categories. Indeed, some categories have moved against the general upward trend, actually experiencing declining sales. Table 1 provides comparative sales for 50 selected retail categories. From 1982 to 1987, nominal sales increased for 47 categories and decreased for only three. By rate of growth, the 13 retail categories that experienced the most rapid expansion of sales are: hobby, toy and game shops; boat dealers; gift, novelty, and souvenir shops; retail nurseries; lawn and garden supply stores; optical goods stores; radio, television, computer and music stores; new and used car dealers; household appliance stores; pet shops; mobile home dealers; used car dealers; and lumber and other building materials dealers. Retail sales for these business categories increased by 100 percent or more during the five-year period. Although the list mixed, many of the rapidly expanding categories appear to be those catering to leisure-related activities. More modest increases were reported for sewing, needlework and piece goods stores; tobacco stores and newsstands; and liquified petroleum gas (bottled gas) suppliers.

Text continued on page 8

Table 1

Comparative Sales, 1982 and 1987, for 50 Selected Retail Categories for Georgia*

Kind of Business	1982 Sales (000s)	1987 Sales (000s)	Difference in Sales 1987-1982	Percent Change 1987-1982
Fruit and vegetable markets	27,483	19,372	-8,111	-29.5%
Fuel oil dealers	21,491	15,460	-6,031	-28.1
Catalog and mail-order houses	432,944	336,780	-96,164	-22.2
Sewing, needlework, and piece goods stores	56,832	57,957	1,125	2.0
Tobacco stores and stands	3,601	3,795	194	5.4
Liquefied petroleum gas (bottled gas) dealers	195,516	212,665	17,149	8.8
Dairy products stores	9,676	11,164	1,488	15.4
Men's and boys' clothing stores	175,808	212,317	36,509	20.8
Liquor stores	434,908	539,329	104,421	24.0
Gasoline service stations	2,381,548	2,987,099	605,551	25.4
Stationery stores	24,458	32,108	7,650	31.3
Retail bakeries	41,326	55,760	14,434	34.9
News dealers and newsstands	11,826	16,355	4,529	38.3
Drinking places	113,685	159,275	45,590	40.1
Grocery stores	5,261,466	7,495,842	2,234,376	42.5
Shoe stores	246,139	351,562	105,423	42.8
Merchandising machine operators	153,254	219,147	65,893	43.0
Auto and home supply stores	535,447	816,340	280,893	52.5
Candy, nut, and confectionery stores	11,163	17,202	6,039	54.1
Florists	82,704	128,181	45,477	55.0
Children's and infants' wear stores	29,036	46,387	17,351	59.8
Luggage and leather goods stores	8,856	14,347	5,491	62.0
Women's clothing stores	373,963	609,269	235,306	62.9
Hardware stores	169,256	278,273	109,017	64.4
Motorcycle dealers	49,542	84,533	34,991	70.6
General merchandise stores	2,874,007	4,921,563	2,047,556	71.2
Drug and proprietary stores	799,323	1,379,801	580,478	72.6
Family clothing stores	306,930	535,886	228,956	74.6
Paint, glass, and wallpaper stores	71,802	125,552	53,750	74.9
Camera and photographic supply stores	33,147	58,679	25,532	77.0
Eating places	2,125,025	3,820,091	1,695,066	79.8
Sporting goods stores and bicycle shops	114,573	206,245	91,672	80.0
Book stores	48,889	88,805	39,916	81.6
Direct selling establishments	89,116	161,984	72,868	81.8
Furniture stores	430,783	790,201	359,418	83.4
Jewelry stores	171,549	318,870	147,321	85.9
Floor covering stores	139,814	263,000	123,186	88.1
Drapery and upholstery stores	18,486	36,607	18,121	98.0
Lumber and other building materials dealers	853,132	1,716,498	863,366	101.2
Used car dealers	169,504	344,628	175,124	103.3
Mobile home dealers	124,806	255,561	130,755	104.8
Pet shops	14,968	30,960	15,992	106.8
Household appliance stores	109,629	228,833	119,204	108.7
New and used car dealers	3,683,833	7,937,078	4,253,245	115.5
Radio, television, computer and music stores	255,590	556,757	301,167	117.8
Optical goods stores	38,878	86,448	47,570	122.4
Retail nurseries, lawn and garden supply stores	69,210	155,648	86,438	124.9
Gift, novelty, and souvenir shops	80,624	204,670	124,046	153.9
Boat dealers	48,567	144,969	96,402	198.5
Hobby, toy, and game shops	44,668	156,431	111,763	250.2

*Based on 1972 Standard Industrial Classification. Includes only establishments with payroll. Sales for 1982 and 1987 are epressed in 1982 and 1987 dollars, respectively.

Source: Bureau of the Census, (1982, 1987). *Census of Retail Trade, Geographic Area Series, Georgia.* Issued November 1984 and August 1989.

Table 2

Summary Statistics for Georgia Metropolitan Statistical Areas, 1987 Retail Sales

Business Category	Retail Sales* in 1987	Percent of MSA Total	Retail Sales* in 1987	Percent of MSA Total
	Albany		Athens	
Building Materials & Garden Supplies Stores	45,034	6.13	65,572	7.62
General Merchandise Stores	115,376	15.72	113,649	13.20
Food Stores	162,700	22.16	157,427	18.29
Automotive Dealers, except Gasoline Service Stations	162,400	22.12	158,873	18.46
Gasoline Service Stations	32,494	4.43	85,599	9.95
Apparel & Accessory Stores	30,474	4.15	34,889	4.05
Furniture & Home Furnishings	41,719	5.68	40,300	4.68
Eating & Drinking Places	64,341	8.76	90,671	10.53
Drug & Proprietary Stores	18,157	2.47	33,355	3.88
Miscellaneous Retail Stores, except Drug & Proprietary	61,416	8.37	80,371	9.34
Total Retail Trade	734,111	100.00	860,706	100.00
	Atlanta		Augusta	
Building Materials & Garden Supplies Stores	1,288,530	6.22	176,097	7.38
General Merchandise Stores	2,680,639	12.94	341,916	14.33
Food Stores	3,473,043	16.77	466,518	19.55
Automotive Dealers, except Gasoline Service Stations	4,992,457	24.10	561,758	23.54
Gasoline Service Stations	1,424,864	6.88	155,857	6.53
Apparel & Accessory Stores	1,031,726	4.98	95,260	3.99
Furniture & Home Furnishings	1,107,778	5.35	117,611	4.93
Eating & Drinking Places	2,320,921	11.20	227,353	9.53
Drug & Proprietary Stores	617,175	2.98	92,257	3.87
Miscellaneous Retail Stores, except Drug & Proprietary	1,776,454	8.58	151,334	6.34
Total Retail Trade	20,713,587	100.00	2,385,961	100.00

(continued)

Table 2 (continued)

Summary Statistics for Georgia
Metropolitan Statistical Areas, 1987
Retail Sales

Business Category	Retail Sales* in 1987	Percent of MSA Total	Retail Sales* in 1987	Percent of MSA Total
	Chattanooga		Columbus	
Building Materials & Garden Supplies Stores	150,264	5.65	75,377	5.10
General Merchandise Stores	327,912	12.32	191,296	12.94
Food Stores	561,625	21.10	272,306	18.42
Automotive Dealers, except Gasoline Service Stations	592,607	22.26	378,630	25.61
Gasoline Service Stations	234,569	8.81	118,763	8.03
Apparel & Accessory Stores	135,747	5.10	76,675	5.19
Furniture & Home Furnishings	134,611	5.06	75,843	5.13
Eating & Drinking Places	245,332	9.22	142,096	9.61
Drug & Proprietary Stores	78,169	2.94	46,123	3.12
Miscellaneous Retail Stores, except Drug & Proprietary	201,052	7.55	101,579	6.87
Total Retail Trade	2,661,888	100.00	1,478,688	100.00
	Macon-Warner Robins		Savannah	
Building Materials & Garden Supplies Stores	109,385	5.82	81,929	4.99
General Merchandise Stores	245,370	13.06	220,671	13.43
Food Stores	332,007	17.67	311,950	18.99
Automotive Dealers, except Gasoline Service Stations	506,903	26.97	386,058	23.50
Gasoline Service Stations	127,738	6.80	120,473	7.33
Apparel & Accessory Stores	78,012	4.15	85,858	5.23
Furniture & Home Furnishings	87,408	4.65	88,344	5.38
Eating & Drinking Places	172,364	9.17	172,670	10.51
Drug & Proprietary Stores	60,776	3.23	56,077	3.41
Miscellaneous Retail Stores, except Drug & Proprietary	159,449	8.48	118,592	7.22
Total Retail Trade	1,879,412	100.00	1,642,622	100.00

*Expressed in thousands of 1987 dollars. Includes only establishments with payroll.

Source: Bureau of the Census, (1987). *Census of Retail Trade, Geographic Area Series, Georgia,* August, 1989.

Three retail categories experienced declining real sales: fruit and vegetable markets; fuel oil dealers; and catalog and mail order houses. Interestingly, one of the declining categories is energy-related and may reflect lower oil price levels. The remaining retail business categories experienced healthy increases in sales, ranging from 15 to 98 percent.

MSA RETAIL SALES

Table 2 provides 1987 retail sales data for ten broad business categories for Georgia's eight MSAs. Each MSA exhibits a slightly different pattern of business strengths relative to the state's other MSAs.

Albany is Georgia's smallest retailing center on the MSA level. Compared to Georgia's other MSAs, general merchandise stores and food stores comprise a larger portion of Albany area retail sales. The area's gasoline service station and drug and proprietary store sales comprise a smaller portion of its total retail sales, however, than is true for the typical Georgia MSA.

Building materials and garden supplies stores and gasoline service stations comprise a relatively large proportion of retail sales in the Athens metro area. Automotive dealers and apparel and accessory stores contribute a relatively small proportion of area retail sales. One possible explanation is that Athens area shoppers probably purchase automobiles and apparel goods in Atlanta instead.

As Georgia's largest retailing center, Atlanta posted total retail sales of almost $21 billion in 1987. When compared to other Georgia MSAs, sales from Atlanta's eating and drinking places constitute a relatively large portion of area retail sales. Conversely, the sales of food stores constitute a relatively small portion of the total. One possible explanation for these findings is that the typical Atlantan probably eats more meals away from home than do the residents of other Georgia MSAs. Additionally, Atlanta attracts many visitors who tend to eat in restaurants, and do not purchase groceries.

In Augusta, sales are strong for building materials and garden supplies stores and for drug and proprietary stores. Indeed, strong construction-related sales are not unexpected;

Table 3

Summary Statistics for the Area Outside Georgia's Metropolitan Statistical Areas, 1987 Retail Sales

Business Category	Retail Sales* in 1987	Percent of Non-MSA Total Retail Trade
Building Materials & Garden Supplies Stores	699,535	6.6%
General Merchandise Stores	D	D
Foodstores	2,591,918	24.5
Automotive Dealers, except Gasoline Service Stations	2,354,532	22.3
Gasoline Service Stations	924,280	8.7
Apparel & Accessory Stores	434,350	4.1
Furniture & Home Furnishings	466,947	4.4
Eating & Drinking Places	825,101	7.8
Drug & Proprietary Stores	D	D
Miscellaneous Retail Stores, except Drugs & Proprietary	741,106	7.0
Non-MSA Total Retail Trade	10,570,931	

* Expressed in thousands of 1987 dollars. Includes only establishments with payroll.

D Withheld to avoid disclosing data for individual companies; data are included in broader business category totals.

Source: Bureau of the Census (1987). *Census of Retail Trade, Geographic Area Series, Georgia,* August 1989.

Augusta has experienced significant expansion of the construction sector, with contract construction employment increasing 21.6 percent from 1983 to 1989. Relative to other Georgia MSAs, Augusta's apparel and accessory stores add only a small percentage to total retail sales.

Chattanooga technically is Georgia's second largest retailing center, but a significant portion of metro Chattanooga retail sales is realized in the out-of-state portion of the MSA. Although no single retail category stands out as contributing an unusually low percentage of area retail sales, the gasoline service station category leads the group for most retail sales.

In Columbus, apparel and accessory stores led sales, while building materials and garden supplies stores contributed a relatively small proportion. This pattern also is true for Savannah. In Macon-Warner Robins, which is the second largest retailing center wholly contained within Georgia, automotive dealers comprise a large proportion of area retail sales while apparel and accessory stores contribute the least.

NON-METROPOLITAN AREA RETAIL SALES

Retail sales data for ten broad business categories for that portion of Georgia outside the state's MSAs are shown in Table 3. In general, the distribution of retail sales in the state's MSAs is similar to that found in the non-MSA portion of the state. There are some differences, however. For example, sales in the non-MSA portion of the state are relatively high for food stores and are relatively low in eating and drinking places. Furthermore, the proportion of sales comprised by furniture and home furnishings stores tends to be relatively low. These findings undoubtedly reflect a variety of factors, including: the relative scarcity of eating and drinking establishments, lower personal income levels that perhaps bias consumption towards necessities rather than luxuries, longer travel times that may reduce impulse buying and eating out, and heavy statewide marketing efforts by MSA firms.

COUNTY RETAIL SALES

Retail sales are not evenly distributed among Georgia's 159 counties. In 1987, ten counties accounted for over 60 percent of total state retail sales. Indeed, five metro Atlanta counties — Fulton, DeKalb, Cobb, Gwinnett, and Clayton — reported 44.5 percent of all 1987 state retail sales.

Table 4 provides comparative county-level retail sales for 1982 and 1987. In general, Georgia counties have experienced burgeoning retail sales growth. Retail sales increased by more than 100 percent in 25 counties. Sales in five counties expanded by over 200 percent. The most rapidly expanding sales were realized by Taliaferro County, where sales increased by 314.2 percent. It should be noted, however, that percentages for a county with a small retail base, such as Taliaferro, can shift dramatically with the establishment or loss of even a small regional shopping center or the opening or closing of a nationally-recognized general merchandise store. The most impressive retail expansion occurred in Gwinnett County, where retail sales jumped 224.6 percent, from $735 million in 1982 to $2.4 billion in 1987. Baker, Hancock, Dooly, and Long counties were the only Georgia counties that reported retail sales declines.

SUMMARY

Retail trade in Georgia has expanded remarkably since the 1982 census. It is undoubtedly the single most widely distributed economic sector in the state, and is central to local economic development. Both employment and personal income growth are closely linked to the sector's expansion.

Georgia's retail outlook for 1990 is neither overly optimistic nor overly pessimistic. Steady but modest retail sales growth is expected, although sales of automobiles and construction-related consumer durables will remain sluggish.

Table 4 is shown on the following pages.

Table 4

Comparative Sales, 1982 and 1987, for Georgia Counties

County	1982 Sales* (000s)	1987 Sales** (000s)	Difference in Sales 1987-1982	Percent Change 1987-1982
Appling	43,822	66,645	22,823	52.1
Atkinson	9,529	13,155	3,626	38.1
Bacon	26,578	46,945	20,367	76.6
Baker	3,723	2,407	-1,316	-35.3
Baldwin	135,088	208,217	73,129	54.1
Banks	8,198	20,057	11,859	144.7
Barrow	86,619	147,729	61,110	70.6
Bartow	161,109	273,535	112,426	69.8
Ben Hill	53,483	75,768	22,285	41.7
Berrien	41,067	59,721	18,654	45.4
Bibb	811,136	1,222,351	411,215	50.7
Bleckley	27,369	36,633	9,264	33.8
Brantley	5,832	10,790	4,958	85.0
Brooks	32,802	38,628	5,826	17.8
Bryan	17,223	46,945	29,722	172.6
Bulloch	160,683	209,905	49,222	30.6
Burke	53,867	63,293	9,426	17.5
Butts	26,742	88,353	61,611	230.4
Calhoun	9,963	12,649	2,686	27.0
Camden	44,793	118,312	73,519	164.1
Candler	25,549	37,870	12,321	48.2
Carroll	198,855	349,837	150,982	75.9
Catoosa	129,124	188,712	59,588	46.1
Charlton	19,221	28,231	9,010	46.9
Chatham	1,030,288	1,571,810	541,522	52.6
Chattahoochee	2,773	2,802	29	1.0
Chattooga	56,174	92,316	36,142	64.3
Cherokee	124,684	256,132	131,448	105.4
Clarke	446,424	685,548	239,124	53.6
Clay	3,913	6,716	2,803	71.6
Clayton	871,162	1,597,395	726,233	83.4
Clinch	10,986	19,306	8,320	75.7
Cobb	1,919,897	3,700,429	1,780,532	92.7
Coffee	95,798	166,700	70,902	74.0
Colquitt	114,005	162,987	48,982	43.0

(continued)

Table 4 (Continued)

Comparative Sales, 1982 and 1987, for Georgia Counties

County	1982 Sales* (000s)	1987 Sales** (000s)	Difference in Sales 1987-1982	Percent Change 1987-1982
Columbia	94,058	251,296	157,238	167.2
Cook	33,941	54,807	20,866	61.5
Coweta	142,063	245,773	103,710	73.0
Crawford	3,246	4,303	1,057	32.6
Crisp	111,352	145,661	34,309	30.8
Dade	31,271	44,220	12,949	41.4
Dawson	5,318	8,768	3,450	64.9
Decatur	75,208	116,681	41,473	55.1
DeKalb	3,015,927	4,701,315	1,685,388	55.9
Dodge	65,146	79,065	13,919	21.4
Dooly	32,771	30,004	-2,767	-8.4
Dougherty	504,295	725,860	221,565	44.0
Douglas	205,072	435,738	230,666	112.5
Early	34,573	43,714	9,141	26.4
Echols	D	638	D	D
Effingham	26,999	70,812	43,813	162.3
Elbert	70,314	120,726	50,412	71.7
Emanuel	66,830	94,545	27,715	41.5
Evans	30,698	44,295	13,597	44.3
Fannin	38,271	63,412	25,141	65.7
Fayette	79,981	214,950	134,969	168.8
Floyd	291,790	481,026	189,236	64.9
Forsyth	77,608	162,159	84,551	108.9
Franklin	60,994	98,738	37,744	61.9
Fulton	3,541,398	5,423,605	1,882,207	53.1
Gilmer	30,504	62,981	32,477	106.5
Glascock	1,343	2,263	920	68.5
Glynn	296,608	483,029	186,421	62.9
Gordon	100,520	187,736	87,216	86.8
Grady	65,534	110,603	45,069	68.8
Greene	22,975	37,198	14,223	61.9
Gwinnett	734,790	2,385,120	1,650,330	224.6
Habersham	90,939	138,416	47,477	52.2
Hall	337,876	621,447	283,571	83.9
Hancock	11,061	9,822	-1,239	-11.2

(continued)

Table 4 (Continued)

Comparative Sales, 1982 and 1987, for Georgia Counties

County	1982 Sales* (000s)	1987 Sales** (000s)	Difference in Sales 1987-1982	Percent Change 1987-1982
Haralson	40,331	89,569	49,238	122.1
Harris	13,508	25,643	12,135	89.8
Hart	35,154	63,951	28,797	81.9
Heard	5,191	13,241	8,050	155.1
Henry	84,593	170,173	85,580	101.2
Houston	329,417	527,221	197,804	60.0
Irwin	10,707	21,259	10,552	98.6
Jackson	71,265	124,457	53,192	74.6
Jasper	10,114	17,649	7,535	74.5
Jeff Davis	38,380	50,592	12,212	31.8
Jefferson	41,361	55,456	14,095	34.1
Jenkins	19,667	21,891	2,224	11.3
Johnson	10,936	16,360	5,424	49.6
Jones	12,726	22,749	10,023	78.8
Lamar	29,320	39,326	10,006	34.1
Lanier	8,042	17,788	9,746	121.2
Laurens	157,442	239,650	82,208	52.2
Lee	5,604	8,251	2,647	47.2
Liberty	97,646	150,290	52,644	53.9
Lincoln	8,097	10,424	2,327	28.7
Long	1,996	1,838	-158	-7.9
Lowndes	351,718	554,088	202,370	57.5
Lumpkin	25,666	54,294	28,628	111.5
Macon	27,451	41,793	14,342	52.2
Madison	10,290	18,662	8,372	81.4
Marion	9,162	10,291	1,129	12.3
McDuffie	79,176	121,842	42,666	53.9
McIntosh	18,718	33,663	14,945	79.8
Meriwether	58,211	96,019	37,808	64.9
Miller	14,455	20,115	5,660	39.2
Mitchell	51,227	62,875	11,648	22.7
Monroe	35,662	68,180	32,518	91.2
Montgomery	31,231	48,762	17,531	56.1
Morgan	43,706	59,074	15,368	35.2
Murray	51,343	72,561	21,218	41.3

(continued)

Table 4 (Continued)

Comparative Sales, 1982 and 1987, for Georgia Counties

County	1982 Sales* (000s)	1987 Sales** (000s)	Difference in Sales 1987-1982	Percent Change 1987-1982
Muscogee	817,956	1,343,127	525,171	64.2
Newton	101,050	183,305	82,255	81.4
Oconee	17,291	32,039	14,748	85.3
Oglethorpe	15,419	18,696	3,277	21.3
Paulding	53,036	154,139	101,103	190.6
Peach	59,722	107,091	47,369	79.3
Pickens	38,599	116,397	77,798	201.6
Pierce	24,390	44,410	20,020	82.1
Pike	4,342	9,340	4,998	115.1
Polk	91,874	134,447	42,573	46.3
Pulaski	26,717	34,038	7,321	27.4
Putnam	25,375	34,308	8,933	35.2
Quitman	1,968	3,189	1,221	62.0
Rabun	39,209	63,095	23,886	61.0
Randolph	18,199	22,812	4,613	25.3
Richmond	903,649	1,453,846	550,197	60.9
Rockdale	173,840	390,579	216,739	124.7
Schley	8,382	9,495	1,113	13.3
Screven	34,160	40,081	5,921	17.3
Seminole	24,647	33,089	8,442	34.3
Spalding	205,310	335,657	130,347	63.5
Stephens	83,233	150,043	66,810	80.3
Stewart	9,749	12,003	2,254	23.1
Sumter	125,660	171,728	46,068	36.7
Talbot	6,307	7,755	1,448	23.0
Taliaferro	444	1,839	1,395	314.2
Tattnall	36,202	51,197	14,995	41.4
Taylor	16,493	19,904	3,411	20.7
Telfair	32,992	35,855	2,863	8.7
Terrell	31,765	36,240	4,475	14.1
Thomas	135,735	219,338	83,603	61.6
Tift	175,885	250,755	74,870	42.6
Toombs	74,644	121,073	46,429	62.2
Towns	12,397	18,930	6,533	52.7
Treutlen	8,773	11,706	2,933	33.4

(continued)

Table 4 (Continued)

Comparative Sales, 1982 and 1987,
for Georgia Counties

County	1982 Sales* (000s)	1987 Sales** (000s)	Difference in Sales 1987-1982	Percent Change 1987-1982
Troup	217,298	343,446	126,148	58.1
Turner	30,722	32,243	1,521	5.0
Twiggs	5,727	5,993	266	4.6
Union	16,542	37,751	21,209	128.2
Upson	85,326	115,731	30,405	35.6
Walker	143,436	187,668	44,232	30.8
Walton	71,116	121,036	49,920	70.2
Ware	180,893	229,454	48,561	26.8
Warren	9,208	10,394	1,186	12.9
Washington	54,561	89,554	34,993	64.1
Wayne	82,851	115,077	32,226	38.9
Webster	D	1,935	D	D
Wheeler	1,861	6,264	4,403	236.6
White	25,332	73,611	48,279	190.6
Whitfield	315,019	534,705	219,686	69.7
Wilcox	6,258	8,618	2,360	37.7
Wilkes	36,679	54,908	18,229	49.7
Wilkinson	17,708	20,173	2,465	13.9
Worth	37,340	55,223	17,883	47.9

* Expressed in thousands of 1982 dollars. Includes only establishments with payroll.
** Expressed in thousands of 1987 dollars. Includes only establishments with payroll.

Source: Bureau of the Census (1982, 1987). *Census of Retail Trade, Geographic Area Series, Georgia.* Issued November 1984 and August 1989, respectively.

GEORGIA BUSINESS STATISTICS

SERIES	FEB 1990	JAN 1990	DEC 1989	FEB 1989
Georgia Leading Indicators Index[1] (1969=100)	183.93	185.98	184.26	184.97
Georgia Coincident Indicators Index[2] (1969=100)	647.08	640.24	633.35	604.16
Nonagricultural Employment[2] (thousands)	2,992.5	2,981.8	3,014.1	2,896.9
Manufacturing Employment[2] (thousands)	563.5	563.7	571.3	566.0
Average Weekly Earnings, Manufacturing[2] (dollars)	364.72	369.08	381.85	355.72
Help Wanted Advertising, Atlanta Index[3] (1967=100)	212	225	236	250
Taxable Retail Sales[4] ($ millions)	3,719.6	3,357.1	4,676.8	3,450.5
Building Permits[5]				
Residential Housing Units, Private (thousands)	3.1	5.6	3.6	4.3
Value of Residential Housing ($ thousands)	211,327	289,156	194,705	265,015
Value of Nonresidential Construction ($ thousands)	178,673	139,654	171,941	199,523
Industrial Buildings	8,586	7,908	55,894	34,760
Office, Bank and Other Professional Buildings	25,264	23,693	21,375	29,645
Stores and Other Mercantile Buildings	37,522	43,109	28,554	26,464
Other	107,301	64,944	66,118	108,654
Consumer Price Index[6] (CPI-U, all items)				
South U.S. (1982-84 = 100)	125.4	124.6	123.4	119.2
South/Population more than 1,200,000[a]	126.1	125.1	124.0	120.1
South/Population 450,000 - 1,200,000[a]	126.9	126.0	125.1	120.3
South/Population 50,000 - 450,000[a]	123.9	123.3	122.0	118.0
South/Population Less than 50,000[a]	124.3	123.5	121.4	117.4
Atlanta (1982-84=100)[b]	–	–	127.3[c]	121.7[c]
Prices Received by Farmers, Georgia Index[7] (1977=100)	135	135	134	134
	1989:IV	**1989:III**	**1989:II**	**1988:IV**
Total Personal Income[8] ($ millions)	107,136	104,580	103,442	99,435

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[1] Georgia Economic Forecasting Project, Division of Research, College of Business Administration, University of Georgia. Initial monthly values subject to revision.

[2] Labor Information Systems, Georgia Department of Labor.

[3] Series published by The Conference Board, Inc.

[4] Derived by the Division of Research, College of Business Administration, University of Georgia, from data of the Sales and Use Tax System, Georgia Department of Revenue. Data for April and May, 1989 reflect computational changes because of the April, 1989 increase in the state sales tax rate.

[5] U.S. Department of Commerce, Bureau of the Census.

[6] U.S. Department of Labor, Bureau of Labor Statistics, Southeastern Regional Office.

[7] Georgia Department of Agriculture, Georgia Crop Reporting Service.

[8] U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System.

[a] Group size revised as of January 1, 1987; indexes revised to 1982-84=100 base as of January, 1988.

[b] Atlanta index is average of each 6 months of the calendar year; base revised to 1982-84=100 as of January 1, 1988.

[c] Data are for 2nd half, 1989, and 2nd half, 1988, respectively.

P Preliminary; more than 25% imputed.

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GEORGIA BUSINESS AND ECONOMIC CONDITIONS

SELIG CENTER FOR ECONOMIC GROWTH
THE UNIVERSITY OF GEORGIA

Vol. 50, Number 4 July-August 1990

Georgia's Tax Dollar: Where Does It Go?

Lawrence R. Hepburn

In the 1980s, local governments were strained fiscally as they attempted to respond to greater demands for service, increased salaries and benefits, and state-mandated costs at a time of resource constraint. Georgians' appetites for city and county services were whetted in the 1960s and 1970s, in part by direct federal aid to local governments, and their service demands increased dramatically, especially in growing communities. Costs resulting from state mandates in areas such as tax exemptions, indigent patient care, jail maintenance, juvenile court operations, and solid waste management also have increased. School districts experienced increased demand associated with growing enrollments while having to respond to state-mandated standards associated with Georgia's Quality Basic Education Act (QBE). Concurrently in the 1980s, federal aid to all local governments was cut drastically.

The net effect of these developments is that local governments must shoulder a greater share of the cost of services. The ability to bear this increased local tax burden, however, is linked to income. Between 1977 and 1987, the income gap between poorer and more affluent American communities widened. Not surprisingly, taxpayers in many communities resisted tax increases. It is within this context that local school funding and general purpose local government finance meet.

REVENUE SOURCES

Basically, there are two general categories of local government revenue: intergovernmental revenue (federal and state aid) and revenue from local sources or "own source" revenue of which property taxes are a part.

Dependence on property taxes is influenced by the availability of alternative revenue resources. Federal and state aid is not available in equal measure to all types of local government. In 1987, intergovernmental revenue constituted 66 percent of Georgia school district revenue but only 16 percent of municipal revenue and 9 percent of county revenue. This means school districts depend far less on own source revenue than general purpose local governments do.

On the other hand, school districts have fewer own source

Selig Center Established

The Simon S. Selig, Jr. Center for Economic Growth was established recently within the College of Business Administration.

Formerly the College's Division of Research, the Center was created to study the business, economic, demographic, political, social and other conditions crucial to the Georgia economy.

The Center's staff will assess the implications for future economic growth of the state and the nation; and, through its various publications, will inform business and industry leaders, government officials, and the general public of current business and economic conditions.

Endowed by the Selig family of Atlanta, the Center was named in memory of Simon S. Selig, Jr. (Class of 1935), a distinguished alumnus and chairman of the board of Selig Enterprises, Inc.

In addition, the Selig family has established a Selig Professorship of Economics, of which Dean Albert W. Niemi, Jr. is the first chairholder.

The Center's staff, all formerly with the Division of Research, includes: forecasting director Jeffrey Humphreys, research coordinator Suzanne Lindsay, research editor Lorena Akioka, data collection coordinator Marie McGrath Libbey, and administrative secretary Mary Evans.

alternatives than do cities and counties. Historically, property taxes produced the bulk of own source revenue for all local governments in the United States. In 1902, 88 percent of all own source revenue came from property taxes. Since then, cities and counties, but generally not school districts, have been able to tap alternative tax sources — such as sales taxes, excise taxes, special use taxes, business licenses, and occupation taxes — and non-tax sources — such as service charges, user fees, and special assessments. As a result, by 1987 property taxes had dropped to just 46 percent of own source revenue for all local governments in the U.S.

GEORGIA'S OWN SOURCE REVENUE

An overview of local government revenues reveals considerable variation among cities, counties, and school districts in their utilization of local revenue resources. For all units, taxes provide the bulk of local revenue, but only for school districts do property taxes provide more than half of that revenue (see Table 1).

The local option sales tax has recently become the second most potent revenue generator for general purpose local governments as more than 80 percent of the counties and all but three of the cities with populations of 20,000 or more have taken advantage of its availability. As a rule, though, school districts are not authorized legally to receive local option sales tax revenue. Cities and counties also may make more extensive use of excise taxes, special assessments, licenses, and service charges. School districts, on the other hand, are single-purpose governments so, aside from non-resident tuition and athletic fees, there isn't much in the way of service charges available to them.

Table 1

Revenue Sources a Percent of Own-Source Revenue, Georgia Local Governments, FY 1987

	Counties	Cities	School Districts
Tax revenues	85	77	88
Property taxes	45	28	84
Sales taxes	30	20	2
Other taxes, licenses	10	29	2
Charges, other revenues	12	19	7
Investment earnings	3	4	5

Source: Georgia Department of Community Affairs, unpublished data for FY 1987; Georgia Department of Education, unpublished data for FY 1987. All calculations by Barbara Newman, the Vinson Institute of Government.

PROPERTY TAX UTILIZATION

Table 2 presents per capita property tax distribution among local governments in Georgia, the Southeast, and the nation. In sum, school districts in Georgia receive a larger portion of a smaller-than-average property tax pie.

Distribution is influenced by local government organization patterns as well as by economic variables. County governments in the Southeast bear much of the service load taken by municipalities and townships in other regions. Also, while all local schools in Georgia are operated by school district governments, that is not the case nationally. Nationwide in 1987, school district expenditures accounted for just 82 percent of all local government direct expenditures for elementary/secondary education while general purpose local government expenditures account for 18 percent. Nine states, including three in

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Table 2

Distribution of Per Capita Local Government Property Tax Revenue, Georgia, Southeast, and United States, 1987

	GEORGIA		SOUTHEAST		UNITED STATES		Georgia as % of U.S.
	Per capita revenue	Percent	Per capita revenue	Percent	Per capita revenue	Percent	
All local governments	$344	100	$296	100	$480	100	72
Counties	120	35	128	43	113	23	106
Cities	42	12	65	22	112	23	37
Townships	0	0	0	0	31	6	0
School districts	182	53	97	33	208	43	88
Special districts	1	0	5	2	17	4	6

Source: Bureau of the Census, *Government Finances in 1986-1987.*

the Southeast, do not report separate school property taxes but mingle them with county or city property taxes.

In 1987, all Georgia local governments combined realized $344 per capita from property taxes, an amount that was 72 percent of the national average of $480. A comparison of per capita amounts for specific types of local governments reveals that while Georgia counties receive 106 percent of the national average, its cities receive just 37 percent of the average. School districts receive 88 percent of the national average.

How does Georgia rank among the 50 states in per capita property tax revenue for general purpose local governments and school districts? In 1987, the state ranked 33rd in per capita property tax revenue for all local governments. Because the amounts on which this ranking is based aggregate all local property tax revenue, it is probably the most reliable indicator of relative standing among the states.

Of the 41 states reporting school district property tax revenues, Georgia ranked 25th, although its real ranking on this measure probably is lower because five of the nine states reporting no school district property tax revenue are among those with the highest per capita property tax for all local governments combined.

Of 48 states reporting county property tax revenue, Georgia was 16th. This high ranking and Georgia counties' 35 percent share of all local property tax revenue, compared to 24 percent nationwide, indicate relatively high utilization of property taxes by county governments in Georgia.

Conversely, Georgia cities' per capita property tax revenues in 1987 were 38th in the nation and Georgia cities' share of local tax revenue was only 12 percent compared to 23 percent for cities nationwide (or 29 percent for municipalities/townships combined).

PROPERTY TAX TRENDS, 1982-1987

Table 3 summarizes property tax changes between 1982 and 1987. Property taxes for Georgia school districts increased at a higher rate than those for school districts nationwide, but property taxes for Georgia general purpose local governments increased at a lower rate than its counterparts nationwide. Property taxes for Georgia general purpose local governments increased by only 29 percent while school district property taxes increased by 43 percent. As a result, Georgia's school

continued on page 11

In this article, national data used for interstate comparisons are from the U.S. Bureau of the Census series on government finance. Georgia city, county, and school district data are supplied by the Georgia Department of Community Affairs and the Georgia Department of Education. Due to methodological differences, the national and local data are not compatible. For example, the Census Bureau treats local option sales tax revenues shared by Georgia cities or counties with school districts as local intergovernmental revenue, not school district own source revenue. As a result, it reports that property tax is 100 percent of total school district taxes in Georgia. In this situation, however, the county or city government makes no intergovernmental expenditure for education and merely acts as the tax collecting agent for the school district. Therefore, the author treats the school district share of local option sales tax as own source revenue.

Hard Times in Georgia's Construction Sector

Jeff Humphreys

During the mid-1980s, Georgians became accustomed to the droning grumble of earthmovers, the whine of power saws, and the sharp reports of hammers on nails. The boom in Georgia's construction sector began shortly after the end of the 1981-82 recession. The fever-pitched construction of new homes, offices, retail space, and, to a lesser extent, industrial buildings, was the direct result of favorable legislation, demographics, and economic forces. The boom persisted through 1986.

In 1987, however, clear signals of forthcoming difficulties appeared when housing permits authorized, an excellent leading indicator of construction activity, plummeted by 16.5 percent. During 1988, construction employment soured with the number of construction jobs declining by 2,300, although, housing permits authorized declined by only 1.9 percent. The small decline in housing permits authorized gave false consolation to those anticipating stability in 1989. Stability was not forthcoming: Georgia's construction employment dropped again in 1989, this time by 3,300 jobs. More foreboding was the 19.9 percent drop in housing permits authorized, accompanied by a decline of 20.1 percent in the valuation of new nonresidential construction. Data for the first five months of 1990 indicate a double-digit collapse from 1989 levels in housing permits and continued decline in nonresidential construction activity.

FACTORS BEHIND THE POST-RECESSIONARY BOOM, 1983-1986

The WEFA Group recently enumerated three legislative changes enacted by Congress during the early 1980s that were important catalysts of construction activity. First, in 1981, Congress reduced the tax life of commercial structures from 36 years to 15 years. In effect, the amount of depreciation that could be written off in a given year increased, which reduced the break-even occupancy rate for office space and lowered the break-even sales per square foot for retail space. Projects marginal before the tax law change suddenly became potentially profitable. Second, changes in the tax laws allowed investors to use passive losses from investments in unprofitable projects to reduce the tax liability of their wage and salary income. Third, deregulation of thrift institutions increased the volume of funds available for construction lending.

Demographic factors undoubtedly contributed significantly to the construction boom. First, the peak of the baby-boom generation reached the prime age for purchasing a starter homeand augmented the demand for new residential construction. Second, Georgia's lack of highly skilled and educated labor required the importation of qualified employees from other states. During the early and mid-1980s, the state experienced a rapid influx of new residents; many were well educated, highly skilled, stepped directly into good jobs, and had the incomes needed to purchase homes. In short, immigration substantially augmented the home grown demand for residential housing.

Several economic forces favored the rapid sectoral expansion. The state's rapidly growing employment and escalating real personal income helped increased the demand for residential housing. Rising personal income and employment also spurred the development of additional retail and office space.

A decline in mortgage interest rates provided another powerful economic force. Conventional home mortgage rates for new home purchases peaked during late 1981 and early 1982. Rates had been in the double-digit range since 1979. During the latter part of 1982, rates began to fall and continued downward through second quarter 1988. The double-digit barrier was punctured in April of 1986. High mortgage interest rates had prompted potential home buyers, developers, and builders to postpone both new construction and the purchase of existing units. As mortgage rates eased, pent-up demand spurred construction activity in Georgia to record levels.

The construction sector also benefited from the economic optimism that characterized the state economy as it emerged from the 1982 recession. The mid-1980s were heady times. Economic prognostications were generally positive, and often called for robust economic expansion. Consumer expectations during 1983 and 1984 were extremely high, as measured by The Conference Board's Index of Consumer Confidence. The

precise economic impact of this optimism cannot be calculated, but undoubtedly contributed to the demand for new construction.

FACTORS BEHIND THE BUST, 1987-1990

The sector has been declining since 1987. The ebbing or reversal of many of the forces that boosted construction during the mid-1980s has contributed to its slowdown. In addition, new factors have entered the equation.

Shifts in fundamental economic forces began to buffet the sector before the end of the decade. Softening of the state and national economies had negative effects. The rate of growth in employment edged downwards after peaking in 1987. The growth of real personal income declined from a lofty 7.2 percent annual rate in 1986 to a sluggish 2.8 percent rate in 1989. Slower growth in personal income and employment reduced the demand for new space. In much of Georgia, housing, retail space, and office space markets became saturated.

By late 1988, the pent-up demand created by high interest rates early in the decade was satiated. Though rates had been dropping for six years, by early 1990, they were again in the double-digits. A new factor to be dealt with was the nation's savings and loan crisis, which prompted financial institutions to implement more stringent lending conditions. In turn, this effectively reduced the availability of funds for new construction.

Demographic forces also were less favorable during the late 1980s. The boosts provided by the baby boomers were somewhat diminished. The National Association of Realtors recently noted, however, that an examination of homeownership rates by age indicates that many baby boomers apparently have continued to delay home purchases. This trend may be related to similar trends of later marriage and childbearing. Widespread postponing of home purchases will disperse the impact of the baby boom bulge over a greater span of years, reducing the size of a demographically induced cyclical downswing in the demand for new housing.

The adage "housing markets follow population" also provides a partial explanation for the downturn in Georgia's construction sector. The U.S. Bureau of the Census estimates that Georgia's resident population grew at annual rates ranging from 2.1 to 2.2 percent during 1984-87. In contrast, the state's population increased at only a 1.5 percent annual rate during 1988-89. Georgia's population growth rate may erode further: the Census projects that the state's population will increase by only 1.2 to 1.4 percent per year during 1990-95. A significant portion of the slowdown in population growth probably is due to lower rates of immigration from other states than were typical of the mid-1980s. Given the sluggish current rate of new job generation in Georgia, this seems credible.

Exacerbating the decline in construction activity were ill-timed changes in the tax laws that removed many of the incentives enacted early in the decade. In 1986, for example, tax lives for depreciation purposes were lengthened and passive losses were limited to those offsetting passive gains. Such legal changes reduce the operating margins of office and retail construction projects.

The optimistic exuberance of the mid-1980s has been replaced by a cautious conservatism, leading many homebuilders to reduce inventories and avoid large financial commitments to speculative projects. Most economic forecasters are no longer anticipating robust economic growth, and instead predict an era of sluggish overall economic expansion with recessions in some economic sectors, notably construction and manufacturing. The Conference Board's Index of Consumer Confidence currently is far below the levels achieved during 1983 and 1984.

Recent speculation concerning the possibility of declining home prices illustrates the degree of pessimism permeating parts of the construction sector. The specter of declining home prices may be relevant indeed for certain markets in the Northeast or West Coast that earlier experienced rapid price escalation. Home prices in these markets have failed to maintain a healthy balance with increases in personal income. Thus, a downward correction in home prices may be what is necessary to restore balance.

Home prices in Georgia, however, have maintained a relatively healthy balance with local area personal income. Historically, nominal home prices rarely decline nationwide; the WEFA Group has found that the last such decline was during the Depression. The most recent forecast issued by the Georgia Economic Forecasting Project indicates that the odds of a mild recession are small and projects virtually no chance of a severe recession or prolonged depression. Even if a mild recession were to occur, it is unlikely that nominal home prices in Georgia would decline. Nonetheless, the housing market is soft and homeowners may not realize the appreciation in value that they have come to expect.

RECENT TRENDS IN STATE LEVEL CONSTRUCTION DATA, 1985-1990

In 1986, new residential housing permits authorized in Georgia peaked at 76,896 units. Construction employment, which tends to lag permits authorized, peaked in 1987 at 152,200 workers. This level of construction activity was not sustainable, however, and some decline was inevitable. Nonetheless, six years of dramatic expansion tend to alter expectations about the future, particularly for those of firms and workers that had entered the construction sector since the 1982 recession. Still, the rapidity and magnitude of the current decline may shock even more seasoned observers.

The present downturn began in 1987 with a 16.5 percent drop in housing permits (units) authorized; however, employment levels remained virtually unchanged as workers completed projects that had received permits earlier. Real personal income in the construction sector declined by 1 percent during 1987. The impact of the drop in permits was felt in 1988, as construction employment fell by 1.5 percent. Residential permits authorized in 1988 declined by only 1.9 percent. The

Table 1

New Residential Building Permits for Georgia, 1985-1990

	Total New Residential	Percent Change from Previous Period	New Single-Unit Residential	Percent Change from Previous Period	New Multi-Unit Residential	Percent Change from Previous Period
1985	73,141	—	45,871	—	27,270	—
1986	76,896	5.1	50,705	10.5	26,191	-4.0
1987	64,217	-16.5	46,415	-8.5	17,802	-32.0
1988	63,017	-1.9	42,559	-8.3	20,458	14.9
1989	50,457	-19.9	35,145	-17.4	15,312	-25.2
Jan-May 1989	22,275	—	16,446	—	5,829	—
Jan-May 1990	19,720	-11.5	15,779	-4.1	3,941	-32.4

Source: Construction Statistics Division, Bureau of the Census.

bottom fell out in 1989, as housing permits authorized fell short of 1988 levels by nearly 13,000 units, or 19.9 percent. Construction employment fell by 2.2 percent.

There is no doubt that Georgia's construction sector is currently in the midst of a severe and prolonged sectoral recession. Because permits generally lead actual construction, data for the first five months of 1990 indicate that the recession may get worse before it gets better. During the five months, residential permits authorized were off last year's pace by 11.5 percent. Data for January through May actually may understate the negative trend, since severe weather in December appears to have inflated permits authorized in a very mild January. Furthermore, the employment impact of double-digit declines in permits issued in 1989 and the first five months of 1990 may not be fully realized until late 1990 or early 1991.

A detailed analysis of residential building permits issued in 1988, 1989, and January-May of 1990, indicates that the decline in multi-unit permits far exceeds the decline in single-unit permits. This is particularly true of permits authorized in 1990, which are 32.4 percent below 1989 levels for the multi-unit residential category and 4.1 percent below 1989 levels for the single-unit residential category. The sharp decline in multi-unit residential construction activity reflects declining demand, oversupply, and tax law changes that reduced the incentive to invest in rental housing.

The downturn in nonresidential construction began in 1987. In nominal dollars, the value of new nonresidential units fell short of its 1986 level by 13 percent. Unlike the residential sector, the nonresidential sector recovered substantially in 1988 and exceeded its 1987 total by 16.5 percent, more than compensating for the previous year's decline. The recovery was short lived, however, as valuation plummeted by 20.1 percent in 1989. The data for 1990 indicate that nonresidential construction valuation has declined by 5.4 percent, relative to the same months of 1989.

On a detailed basis, new construction activity declined in all but two nonresidential sectors in 1989. The value of permits for parking garages was 104.2 percent above the 1988 value. The value of new school construction also exceeded 1988 levels by 68.4 percent. Data for January through May 1990 indicate that the value of permits issued for parking garages and new schools exceeds comparable 1989 levels by 6.3 and 10.4 percent, respectively.

RECENT TRENDS IN CONSTRUCTION DATA BY MSA

Albany

The Albany area has lost about 700 construction jobs since 1987. The good news is that the annual rate of decline peaked in 1988 and has since moderated. Housing permits data confirm that Albany probably has weathered the worst of the residential construction slump. Housing permits declined by over 40 percent per year during 1987 and 1988, but made a strong comeback in 1989, increasing by 56.8 percent. The 1990 housing permit data indicate that recovery proceeds at a rapid pace, with units exceeding 1989 levels by 25.3 percent. New nonresidential construction valuation in 1989 was 34.6 percent below 1988 levels. Partial nonresidential construction data for 1990 is also trending downwards, albeit at a more modest rate.

Athens

Athens area construction activity has fared far better than that of the state as a whole. Construction employment is up by

Table 2

Value of New Nonresidential Building Permits by Category for Georgia, 1988-1990 (thousands of dollars)

	1988	1989	Percent Change	Jan-May 1989	Jan-May 1990	Percent Change
Amusement	60,038	43,686	-27.2	21,419	24,058	12.3
Religious	114,867	62,604	-45.5	38,683	25,891	-33.1
Industrial	314,833	242,580	-22.9	94,518	42,378	-55.2
Parking Garages	39,612	80,881	104.2	13,897	14,766	6.3
Service Stations	27,166	23,574	-13.2	12,637	6,497	-48.6
Hospitals	53,853	42,153	-21.7	35,945	26,463	-26.4
Offices	662,659	433,697	-34.6	113,275	128,662	13.6
Public Works	13,295	8,612	-35.2	2,328	5,236	124.9
Schools	26,220	44,164	68.4	15,875	17,527	10.4
Stores	550,435	491,489	-10.7	187,929	214,555	14.2
Other	59,579	56,973	-4.4	28,886	32,113	11.2
Nonbuilding	48,711	44,336	-9.0	23,994	16,163	-32.6
Total	1,971,268	1,574,749	-20.1	589,386	557,309	-5.4

Source: Construction Statistics Division, Bureau of the Census.

400 jobs since 1985. Residential housing permits declined in 1986 and 1987, increased in 1988, but declined again in 1989. Data for the first five months of 1990 indicate that housing permits are running 4.4 percent above comparable 1989 levels. Nonetheless, new housing permits remain far below the levels attained during the height of the expansion.

The decline in housing permits has affected the multi-unit sector far more than the single-unit sector. During 1989, multi-unit permits declined by 66.1 percent and single-unit permits decreased by 24.6 percent. A comparison of January-May data for 1989 and 1990 indicates that multi-unit permits are down by 15.3 percent and single-unit permits are up by 9.8 percent.

Without adjusting for inflation, the value of new nonresidential construction has more than doubled since 1985; the growth is an important force behind the construction employment gains realized by the Athens area since 1985. Although Athens has witnessed a rapid expansion of nonresidential space, 1989 data indicate that the expansion is losing steam. The value of new nonresidential permits issued in 1989 was 20 percent below 1988 levels. For 1990, data for January through May show that nonresidential construction activity appears to be roughly equal its 1989 levels.

Atlanta

Since 1986, Atlanta's construction sector has lost 5,500 jobs and the rate of decline has increased each year. During 1989, construction employment slipped by 4.2 percent and housing permits authorized, a leading indicator of construction employment, plunged by 24.6 percent. The statistics for 1990, based on January-May data, indicate another year of double-digit declines in housing permits and suggest additional employment losses in the offing. Throughout 1990, each additional monthly release of housing permits data paints a bleaker picture. The value of nonresidential permits issued in 1989 was 25.6 percent below 1988 levels. Preliminary data for 1990 indicate that nonresidential valuation continues to decline.

The decline in residential building has affected both the single-unit and multi-unit markets. During 1989, multi-unit residential permits declined by 26.5 percent, while single-unit permits declined by 23.5 percent. The data for the first five months of 1990 indicate a substantial slowdown in the rate of decline in single-unit permits (-4.1 percent); however, the rate of decline for multi-unit permits (-26.8 percent) has accelerated slightly.

Augusta

Augusta's construction employment has trended upwards each year since 1985, in contrast to most of the state. Remarkably, construction employment grew at double-digit rates in 1988, 1989, and during the first five months of 1990. About 6,500 new construction jobs have been generated since 1985. The value of nonresidential construction permits issued in 1989 exceeded 1988 levels by 34.6 percent, and nonresidential permits issued during January-May 1990, are running 23.1 percent above comparable 1989 figures. The 1990 housing

Table 3

Summary Statistics for Georgia Metropolitan Statistical Areas, 1988-1990

	Construction* Employment	Percent Change from Previous Period	Value of New* Nonresidential Permits	Percent Change from Previous Period
Atlanta				
1988	71.1	—	1,384,832	—
1989	68.1	-4.22	1,029,823	-25.6
Jan-May 1989	67.5	—	351,130	—
Jan-May 1990	67.4	-0.15	316,890	-9.8
Albany				
1988	2.4	—	15,123	—
1989	2.2	-8.33	9,889	-34.6
Jan-May 1989	2.1	—	3,572	—
Jan-May 1990	2.0	-4.76	3,175	-11.1
Athens				
1988	2.5	—	41,764	—
1989	2.7	8.00	33,416	-20.0
Jan-May 1989	2.6	—	11,674	—
Jan-May 1990	2.8	7.69	11,835	1.4
Augusta				
1988	12.7	—	67,650	—
1989	14.7	15.75	91,037	34.6
Jan-May 1989	13.8	—	34,622	—
Jan-May 1990	15.2	10.14	42,634	23.1
Columbus				
1988	5.1	—	46,808	—
1989	4.7	-7.84	31,147	-33.5
Jan-May 1989	4.6	—	15,670	—
Jan-May 1990	4.3	-6.52	26,597	69.7
Macon-Warner Robins				
1988	5.0	—	36,019	—
1989	5.0	0.00	30,919	-14.2
Jan-May 1989	4.8	—	10,049	—
Jan-May 1990	5.2	8.33	13,896	38.3
Savannah				
1988	6.5	—	100,268	—
1989	7.6	16.92	72,375	-27.8
Jan-May 1989	7.0	—	22,941	—
Jan-May 1990	7.9	12.86	24,163	5.3

*Construction employment and the value of new nonresidential building permits are expressed in thousands.

Source: Construction employment data were obtained from the Georgia Department of Labor. Valuation data were obtained from the Construction Statistics Division, Bureau of the Census.

Table 4

New Residential Building Permits for Georgia Metropolitan Statistical Areas, 1985-1990

	Total New Residential	Percent Change from Previous Period	New Single-Unit Residential	Percent Change from Previous Period	New Multi-Unit Residential	Percent Change from Previous Period
Atlanta						
1985	50,103	—	32,432	—	17,671	—
1986	53,557	6.9	35,095	8.2	18,462	4.5
1987	44,300	-17.3	31,413	-10.5	12,887	-30.2
1988	44,435	0.3	28,468	-9.4	15,967	23.9
1989	33,507	-24.6	21,773	-23.5	11,734	-26.5
Jan-May 1989	14,326	—	10,083	—	4,243	—
Jan-May 1990	12,771	-10.9	9,665	-4.1	3,106	-26.8
Albany						
1985	580	—	406	—	174	—
1986	814	40.3	399	-1.7	415	138.5
1987	463	-43.1	345	-13.5	118	-71.6
1988	273	-41.0	206	-40.3	67	-43.2
1989	428	56.8	238	15.5	190	183.6
Jan-May 1989	83	—	50	—	33	—
Jan-May 1990	104	25.3	98	96.0	6	-81.8
Athens						
1985	1,571	—	776	—	795	—
1986	1,490	-5.2	756	-2.6	734	-7.7
1987	1,157	-22.3	886	17.2	271	-63.1
1988	1,367	18.2	871	-1.7	496	83.0
1989	825	-39.6	657	-24.6	168	-66.1
Jan-May 1989	390	—	305	—	85	—
Jan-May 1990	407	4.4	335	9.8	72	-15.3
Augusta						
1985	5,311	—	3,033	—	2,278	—
1986	5,132	-3.4	3,738	23.2	1,394	-38.8
1987	2,478	-51.7	2,318	-38.0	160	-88.5
1988	2,171	-12.4	1,949	-15.9	222	38.8
1989	3,013	38.8	2,630	34.9	383	72.5
Jan-May 1989	1,220	—	1,109	—	111	—
Jan-May 1990	1,034	-15.2	1,026	-7.5	8	-92.8
Columbus						
1985	1,437	—	561	—	876	—
1986	1,175	-18.2	752	34.0	423	-51.7
1987	1,342	14.2	767	2.0	575	35.9
1988	926	-31.0	739	-3.7	187	-67.5
1989	804	-13.2	639	-13.5	165	-11.8
Jan-May 1989	311	—	264	—	47	—
Jan-May 1990	254	-18.3	250	-5.3	4	-91.5

(continued)

Table 4 (Continued)

New Residential Building Permits for Georgia Metropolitan Statistical Areas, 1985-1990

	Total New Residential	Percent Change from Previous Period	New Single-Unit Residential	Percent Change from Previous Period	New Multi-Unit Residential	Percent Change from Previous Period
Macon-Warner Robins						
1985	1,764	—	1,177	—	587	—
1986	2,251	27.6	1,623	37.9	628	7.0
1987	1,954	-13.2	1,560	-3.9	394	-37.3
1988	1,736	-11.2	1,449	-7.1	287	-27.2
1989	1,559	-10.2	1,292	-10.8	267	-7.0
Jan-May 1989	532	—	522	—	10	—
Jan-May 1990	604	13.5	574	10.0	30	200.0
Savannah						
1985	2,761	—	1,086	—	1,675	—
1986	2,614	-5.3	1,560	43.6	1,054	-37.1
1987	2,332	-10.8	1,448	-7.2	884	-16.1
1988	1,945	-16.6	1,408	-2.8	537	-39.3
1989	1,714	-11.9	1,215	-13.7	499	-7.1
Jan-May 1989	674	—	536	—	138	—
Jan-May 1990	558	-17.2	434	-19.0	124	-10.1

Source: Construction Statistics Division, Bureau of the Census.

permits data, however, are not encouraging. Housing permits authorized during this period suggest that permits issued this year will total less than half of the 1985 figure. Both single-unit and multi-unit housing construction currently are declining; however, the decline in the multi-unit sector is more dramatic. New nonresidential construction, rather than residential construction, clearly is the catalyst behind Augusta's expanding construction sector.

Columbus

The Columbus area has lost approximately 900 construction jobs since 1985, losing 300 during the last 12 months alone. In 1989, permits for only 804 housing units were issued, 44 percent fewer than the 1,437 issued during 1985. Data for the first five months of 1990, compared to the first five months of 1989, indicate a 18.3 percent decline. The decline in single-unit housing construction is far less severe than that in multi-unit housing. While the value of nonresidential construction permits declined in 1989, it is coming back strongly in 1990.

Macon-Warner Robins

Although there have been some fluctuations, the Macon-Warner Robins area has managed to generate approximately 200 new construction jobs since 1985. Housing permits data indicate a relatively stable construction sector. Based on figures through May, housing permits authorized in 1990 should just exceed 1985 levels. Such stability during a period of statewide decline indicates that the supply of new housing has been well matched to the demand. Macon-Warner Robins has largely avoided the cyclical oversupply/undersupply conditions recently plaguing many portions of Georgia. The value of new nonresidential permits, down in 1989, is up again in 1990.

Savannah

Since 1985, the Savannah area has generated about 2,500 new construction jobs. About 1,800 jobs were created during 1986; construction employment declined in 1987 and 1988, but rebounded strongly in 1989. Preliminary data for 1990 indicate strong employment growth. Housing permits have trended downward since 1985. Residential building permits for January through May of 1990 are running substantially below those issued during a comparable period in 1989. In contrast to most portions of the state, the rate of decline in the single-unit residential sector has exceeded that of the multi-unit residential sector. The value of nonresidential permits was down by 27.8 percent in 1989, but was up by 5.3 percent in the first five months of 1990.

continued from page 3

Table 3

Per Capita Property Tax Revenue, Georgia and U.S., 1982 and 1987 (dollars)

	Per Capita		
	1982	1987	% Increase 1982-1987
Georgia			
All local governments	344	252	37
General purpose local governments	161	125	29
Counties	120	90	33
Cities	42	35	19
School districts	182	127	43
United States			
All local governments	480	345	39
General purpose local governments	255	187	36
Counties	112	78	44
Municipalities/townships	143	108	32
School districts	208	152	37

Source: Bureau of the Census, *Government Finances in 1981-1982* and *1986-1987.*

property taxes as a percentage of total local government property taxes grew from 50 percent to 53 percent during the period. Meanwhile, property taxes for the nation's general purpose local governments and school districts increased at similar 36 percent and 37 percent rates, respectively, between 1982 and 1987. The school district percentage of total property taxes nationwide, therefore, was virtually unchanged at about 44 percent.

Briefly, the data presented in Tables 2 and 3 permit some general observations about property taxes in Georgia and the nation. First, from 1982 through 1987, per capita property taxes for all local governments in Georgia have remained slightly below three-fourths the national average. Although per capita property taxes for Georgia schools remain below the national average, the gap has narrowed since 1982. Second, while per capita property taxes for Georgia county governments remain above the national average, these have dropped relative to the average since 1982; and finally Georgia cities' per capita property taxes also are lower and are now about one-third the national average.

Across Georgia, school districts receive the majority share of property taxes. Of total property taxes received in 1987, Georgia school districts received 54.1 percent, cities received 11.5 percent, and counties received 34.4 percent.

The proportional division of property tax revenue varies considerably across the state (Table 4). Property tax receipts data for the fiscal year ending June 30, 1987 were available for 186 school districts, 426 city governments, and 149 county governments.

In 143 county-units for which tax receipt data are available for all three entities, the school share ranged from 1.9 percent to 87.6 percent; the city share, from zero to 36 percent; and the county share, from 0.1 to 90 percent.

The range extremes are explained by special circumstances. In six counties, cities received no property tax; in Echols County there is no municipality. In Towns County, the

continued on page 22

Table 4

Property Tax Receipts: School Districts, City, County as a Percentage of Total Property Tax Receipts Fiscal Year Ending June 30, 1987

Name	Schools	City	County	Total (dollars)
Appling	55.2	5.7	39.1	7,499,637
Atkinson	54.3	10.0	35.8	1,333,866
Bacon	47.8	13.6	38.7	2,093,075
Baker	100.0	na	na	713,804
Baldwin	56.9	9.8	33.3	8,010,532
Banks	48.2	na	51.8	1,879,732
Barrow	68.0	1.6	30.4	6,073,207
Bartow	71.2	8.3	20.5	10,612,687
Ben Hill	46.2	7.9	45.9	3,306,987
Berrien	61.3	9.1	29.6	2,455,711
Bibb	42.8	15.5	41.6	51,880,133
Bleckley	57.8	na	42.2	1,712,689
Brantley	39.9	2.9	57.1	2,422,317
Brooks	64.2	0.6	35.2	2,891,878
Bryan	63.7	5.5	30.8	2,090,577
Bulloch	30.5	18.0	51.6	6,731,758
Burke	99.0	1.0	na	7,025,600
Butts	56.5	0.0	43.5	2,872,389
Calhoun	51.4	9.9	38.8	1,579,557
Camden	44.5	15.7	39.9	6,857,744
Candler	71.0	29.0	na	998,361
Carroll	69.4	10.3	20.3	12,085,144
Catoosa	78.3	8.8	12.9	5,346,664
Charlton	64.7	4.6	30.8	2,050,094
Chatham	50.0	14.5	35.5	88,853,072
Chattahoochee	87.6	12.3	0.1	178,598
Chattoga	41.3	6.5	52.2	4,331,731
Cherokee	63.3	2.1	34.6	18,027,342
Clarke	58.7	3.4	37.9	28,810,645
Clay	41.2	8.8	50.0	704,477

(continued)

Table 4 (Continued)

Name	Schools	City	County	Total (dollars)
Clayton	52.4	3.8	43.8	76,552,035
Clinch	65.8	2.9	31.3	2,107,472
Cobb	53.1	4.1	42.8	150,167,140
Coffee	66.0	8.9	25.1	6,101,353
Colquitt	70.6	29.4	na	3,068,545
Columbia	75.8	1.2	23.1	12,657,709
Cook	71.0	10.3	18.6	2,657,077
Coweta	72.5	3.1	24.4	13,497,938
Crawford	66.2	2.3	31.5	1,609,543
Crisp	57.7	26.7	15.6	4,331,893
Dade	55.3	3.2	41.5	2,235,082
Dawson	59.2	0.0	40.8	3,090,680
Decatur	62.3	15.4	22.2	4,464,591
DeKalb	55.6	2.3	42.1	265,049,878
Dodge	67.2	0.3	32.5	2,642,074
Dooly	62.3	13.2	24.5	2,494,434
Dougherty	55.7	21.8	22.5	28,691,517
Douglas	95.6	4.4	na	12,723,711
Early	51.6	0.0	48.4	2,849,785
Echols	49.3	na	50.7	871,170
Effingham	62.9	1.4	35.7	4,859,772
Elbert	55.5	0.3	44.2	3,624,720
Emanuel	50.0	12.1	37.8	5,006,807
Evans	44.9	10.0	45.1	1,431,207
Fannin	49.5	5.7	44.8	2,699,255
Fayette	64.3	6.8	28.8	21,536,481
Floyd	54.1	13.6	32.3	26,679,369
Forsyth	74.8	3.2	22.0	10,943,208
Franklin	74.6	25.4	na	2,179,482
Fulton	50.1	20.6	29.4	467,420,690
Gilmer	50.3	5.3	44.4	2,801,126
Glascock	27.8	5.8	66.4	522,244
Glynn	51.3	6.2	42.5	26,470,244
Gordon	50.0	29.3	20.7	10,279,296
Grady	50.6	11.7	37.6	4,212,320

(continued)

Table 4 (Continued)

Name	Schools	City	County	Total (dollars)
Greene	52.1	11.1	36.8	3,243,673
Gwinnett	49.9	3.5	46.6	136,536,709
Habersham	28.5	14.3	57.2	5,600,776
Hall	59.8	8.8	31.4	26,033,657
Hancock	31.3	0.0	68.7	4,021,931
Haralson	44.1	10.9	44.9	5,269,980
Harris	62.9	3.8	33.3	3,412,277
Hart	48.2	12.6	39.2	4,625,285
Heard	98.1	1.9	na	2,142,404
Henry	59.8	1.6	38.7	114,978,243
Houston	22.6	36.0	41.4	115,573,669
Irwin	53.4	na	46.6	1,650,910
Jackson	54.7	13.9	31.4	6,218,976
Jasper	30.5	0.5	69.0	3,048,200
Jeff Davis	52.9	8.7	38.4	2,110,573
Jefferson	45.2	12.7	42.0	3,205,843
Jenkins	46.0	12.7	41.3	1,808,238
Johnson	49.4	10.6	40.0	1,479,634
Jones	53.5	4.7	41.8	2,727,427
Lamar	70.3	2.3	27.3	2,357,587
Lanier	63.3	na	36.7	919,436
Laurens	49.9	25.5	24.6	9,658,743
Lee	49.7	3.1	47.2	3,567,832
Liberty	42.9	25.8	31.3	6,001,320
Lincoln	56.0	5.9	38.0	1,390,827
Long	42.1	4.8	53.1	1,707,978
Lowndes	63.5	15.8	20.8	13,330,858
Lumpkin	62.5	4.9	32.6	2,913,852
Macon	57.4	10.9	31.7	3,332,686
Madison	58.2	3.1	38.8	3,039,654
Marion	59.6	14.9	25.5	1,165,031
McDuffie	58.0	10.7	31.3	3,313,070
McIntosh	88.6	11.4	na	1,307,756
Meriwether	46.2	15.8	38.0	3,836,957
Miller	63.4	4.0	32.7	1,773,817

(continued)

Table 4 (Continued)

Name	Schools	City	County	Total (dollars)
Mitchell	61.3	38.7	na	1,952,679
Monroe	73.0	0.0	27.0	3,204,441
Montgomery	57.2	2.2	40.5	1,004,643
Morgan	60.6	7.7	31.6	2,608,809
Murray	60.6	5.2	34.2	4,145,669
Muscogee	56.5	43.5	na	47,667,295
Newton	58.9	0.6	40.5	8,264,078
Oconee	52.0	3.7	44.3	4,079,261
Oglethorpe	67.5	na	32.5	1,743,427
Paulding	52.8	1.2	45.9	8,506,201
Peach	44.2	14.5	41.3	3,635,365
Pickens	54.7	4.8	40.5	4,248,986
Pierce	52.2	12.4	35.4	2,515,832
Pike	53.9	1.6	44.5	1,963,266
Polk	55.6	13.5	30.9	6,991,639
Pulaski	58.2	5.5	36.3	2,228,485
Putnam	79.9	0.0	20.1	2,734,770
Quitman	50.6	0.0	49.4	401,488
Rabun	34.0	10.2	55.8	4,080,655
Randolph	56.0	0.4	43.7	1,159,945
Richmond	69.7	10.5	19.8	44,097,498
Rockdale	61.2	na	38.8	17,445,575
Schley	37.5	8.3	54.1	826,417
Screven	62.5	0.1	37.5	3,460,036
Seminole	67.7	7.8	24.5	2,030,299
Spalding	49.2	10.7	40.1	14,664,944
Stephens	57.1	8.9	34.1	4,472,821
Stewart	50.4	11.6	38.0	1,339,591
Sumter	58.7	15.3	26.0	5,414,549
Talbot	39.0	5.1	55.9	1,492,676
Taliferro	39.1	11.5	49.4	512,327
Tattnall	58.2	9.9	31.9	2,528,464
Taylor	53.9	7.6	38.4	1,615,413
Telfair	65.8	6.9	27.3	2,013,787
Terrell	49.4	0.9	49.7	1,241,266

(continued)

Table 4 (Continued)

Name	Schools	City	County	Total (dollars)
Thomas	61.2	2.5	36.3	8,977,116
Tift	54.3	4.1	41.6	5,780,022
Toombs	74.7	2.4	22.9	2,663,956
Towns	1.9	8.1	90.0	594,931
Treutlen	42.5	4.7	52.8	817,929
Troup	26.0	30.0	43.9	8,577,048
Turner	41.5	13.0	45.6	1,900,451
Twiggs	95.4	4.6	na	1,295,136
Union	45.6	2.6	51.8	2,085,830
Upson	37.2	30.1	32.6	5,064,872
Walker	70.8	14.8	14.4	8,136,415
Walton	50.7	7.0	42.3	7,185,583
Ware	52.4	20.7	26.9	8,732,631
Warren	45.2	10.4	44.4	1,504,354
Washington	58.8	7.6	33.6	4,649,219
Wayne	38.5	15.9	45.7	6,850,796
Webster	51.4	2.5	46.1	700,027
Wheeler	54.7	6.5	38.8	864,130
White	60.6	3.5	35.9	3,620,208
Whitfield	60.5	25.8	13.7	24,626,844
Wilcox	50.4	11.2	38.5	1,516,582
Wilkes	43.4	12.3	44.3	2,882,146
Wilkinson	66.3	7.2	26.5	2,877,493
Worth	52.5	5.2	42.3	3,621,236
Total	54.1	11.5	34.4	2,115,083,218

Source: School data - Georgia Department of Education, unpublished data for 1987.
City and county data - Georgia Department of Community Affairs, local government finance database for 1987.

Table 5

Per Capita Property Tax Receipts: School Districts, City, County
Fiscal Year Ending June 30, 1987
(dollars)

Name	Schools	City	County	Total (dollars)
Appling	252.45	25.88	178.96	457.29
Atkinson	113.10	20.79	74.53	208.42
Bacon	102.03	28.94	82.61	213.58
Baker	192.92	na	na	192.92
Baldwin	116.88	20.17	68.35	205.40
Banks	87.09	na	93.65	180.74
Barrow	155.94	3.61	69.63	229.18
Bartow	149.06	17.44	42.82	209.32
Ben Hill	88.88	15.20	88.18	192.27
Berrien	108.24	16.08	52.35	176.67
Bibb	141.98	51.50	138.02	331.50
Bleckley	93.33	na	68.25	161.57
Brantley	95.73	7.06	137.04	239.83
Brooks	122.86	1.18	67.48	191.52
Bryan	91.85	7.93	44.40	144.18
Bulloch	54.83	32.33	92.84	179.99
Burke	324.88	3.42	na	328.30
Butts	100.76	0.00	77.65	178.41
Calhoun	150.23	28.89	113.39	292.51
Camden	146.59	51.63	131.47	329.70
Candler	94.57	38.54	na	133.11
Carroll	124.74	18.52	36.58	179.84
Catoosa	103.60	11.67	17.07	132.34
Charlton	163.75	11.52	77.83	253.10
Chatham	203.60	59.04	144.75	407.40
Chattahoochee	8.99	1.26	0.01	10.26
Chattoga	82.82	12.94	104.78	200.54
Cherokee	140.91	4.59	77.06	222.56
Clarke	218.12	12.44	140.71	371.27
Clay	85.45	18.17	103.58	207.20

(continued)

Table 5 (Continued)

Name	Schools	City	County	Total (dollars)
Clayton	237.05	17.19	198.20	452.44
Clinch	201.00	8.97	95.46	305.43
Cobb	195.18	15.17	157.17	367.52
Coffee	135.18	18.23	51.33	204.74
Colquitt	58.11	24.16	na	82.27
Columbia	160.63	2.48	48.91	212.02
Cook	134.77	19.64	35.38	189.79
Coweta	202.61	8.59	68.26	279.46
Crawford	147.94	5.20	70.41	223.55
Crisp	123.13	56.91	33.35	213.39
Dade	102.96	5.91	77.39	186.26
Dawson	237.71	0.00	163.67	401.39
Decatur	104.26	25.80	37.16	167.21
DeKalb	273.69	11.25	207.07	492.02
Dodge	102.69	0.42	49.61	152.72
Dooly	150.94	31.94	59.30	242.18
Dougherty	156.95	61.50	63.39	281.84
Douglas	172.22	8.00	na	180.22
Early	112.34	0.00	105.21	217.54
Echols	186.55	na	192.22	378.77
Effingham	130.68	2.87	74.13	207.68
Elbert	105.86	0.66	84.25	190.77
Emanuel	113.89	27.61	86.09	227.58
Evans	76.57	16.98	76.83	170.38
Fannin	82.96	9.54	75.16	167.66
Fayette	266.47	28.23	119.46	414.16
Floyd	181.80	45.83	108.38	336.01
Forsyth	205.11	8.68	60.47	274.27
Franklin	99.10	33.79	na	132.90
Fulton	366.25	150.53	214.71	731.49
Gilmer	109.11	11.61	96.41	217.14
Glascock	65.96	13.71	157.72	237.38
Glynn	227.62	27.36	188.41	443.39
Gordon	156.72	91.82	64.85	313.39
Grady	95.63	22.17	71.09	188.89

(continued)

Table 5 (Continued)

Name	Schools	City	County	Total (dollars)
Greene	141.93	30.36	100.29	272.58
Gwinnett	225.75	15.76	210.60	452.11
Habersham	57.21	28.75	114.78	200.74
Hall	176.40	26.02	92.74	295.17
Hancock	135.22	0.21	297.04	432.47
Haralson	113.49	28.12	115.47	257.07
Harris	126.26	7.54	66.92	200.72
Hart	113.06	29.62	92.11	234.79
Heard	280.14	5.51	na	285.65
Henry	178.37	4.65	115.35	298.37
Houston	40.39	64.40	74.01	178.80
Irwin	100.16	na	87.44	187.60
Jackson	116.97	29.70	67.04	213.71
Jasper	117.73	1.74	266.38	385.85
Jeff Davis	93.05	15.33	67.51	175.88
Jefferson	77.57	21.83	72.04	171.44
Jenkins	96.69	26.64	86.93	210.26
Johnson	85.04	18.21	68.79	172.05
Jones	76.40	6.70	59.69	142.80
Lamar	127.54	4.25	49.56	181.35
Lanier	98.71	na	57.13	155.84
Laurens	123.93	63.31	61.06	248.30
Lee	115.20	7.23	109.24	231.68
Liberty	64.23	38.54	46.89	149.66
Lincoln	108.24	11.48	73.45	193.17
Long	140.90	16.24	177.76	334.90
Lowndes	115.09	28.59	37.69	181.37
Lumpkin	144.63	11.28	75.34	231.26
Macon	140.76	26.59	77.70	245.05
Madison	87.10	4.59	58.05	149.74
Marion	131.12	32.74	55.96	219.82
McDuffie	95.62	17.63	51.58	164.83
McIntosh	124.53	16.09	na	140.62
Meriwether	82.76	28.42	68.12	179.30
Miller	160.55	10.06	82.79	253.40

(continued)

Table 5 (Continued)

Name	Schools	City	County	Total (dollars)
Mitchell	55.44	34.96	na	90.40
Monroe	149.97	0.06	55.39	205.41
Montgomery	78.77	3.10	55.76	137.62
Morgan	124.53	15.89	65.00	205.42
Murray	107.82	9.25	60.85	177.93
Muscogee	151.27	116.52	na	267.79
Newton	115.29	1.18	79.35	195.83
Oconee	142.29	10.24	121.25	273.78
Oglethorpe	122.63	na	58.98	181.61
Paulding	131.76	3.09	114.60	249.45
Peach	80.40	26.38	74.99	181.77
Pickens	169.67	14.87	125.60	310.14
Pierce	100.33	23.74	67.98	192.05
Pike	115.09	3.43	94.88	213.40
Polk	114.29	27.72	63.62	205.64
Pulaski	149.17	14.03	92.95	256.15
Putnam	180.70	0.00	45.32	226.01
Quitman	88.26	0.00	86.30	174.56
Rabun	127.20	38.31	208.86	374.37
Randolph	72.16	0.47	56.26	128.88
Richmond	159.37	24.09	45.26	228.72
Rockdale	215.52	na	136.91	352.44
Schley	86.12	19.16	124.28	229.56
Screven	139.43	0.16	83.64	223.23
Seminole	157.97	18.26	57.14	233.37
Spalding	133.30	28.97	108.80	271.07
Stephens	111.48	17.32	66.52	195.32
Stewart	120.56	27.82	90.83	239.21
Sumter	106.28	27.67	47.15	181.09
Talbot	83.20	10.88	119.17	213.24
Taliferro	100.07	29.59	126.50	256.16
Tattnall	80.86	13.77	44.30	138.93
Taylor	108.90	15.40	77.63	201.93
Telfair	120.43	12.63	50.01	183.07
Terrell	52.43	0.92	52.75	106.09

(continued)

Table 5 (Continued)

Name	Schools	City	County	Total (dollars)
Thomas	143.40	5.90	85.09	234.39
Tift	91.78	6.88	70.34	169.01
Toombs	82.20	2.65	25.23	110.08
Towns	1.75	7.31	81.08	90.14
Treutlen	56.10	6.20	69.63	131.92
Troup	41.70	48.17	70.44	160.32
Turner	82.09	25.67	90.20	197.96
Twiggs	127.35	6.17	na	133.52
Union	86.48	4.84	98.29	189.62
Upson	69.61	56.28	61.01	186.90
Walker	100.43	20.96	20.36	141.75
Walton	104.34	14.42	87.12	205.89
Ware	123.23	48.80	63.36	235.38
Warren	101.58	23.37	99.59	224.53
Washington	142.32	18.39	81.44	242.15
Wayne	118.68	48.97	140.94	308.59
Webster	156.39	7.55	140.42	304.36
Wheeler	92.74	11.01	65.69	169.44
White	179.86	10.30	106.58	296.74
Whitfield	213.77	91.08	48.47	353.33
Wilcox	100.50	22.28	76.76	199.55
Wilkes	112.68	31.93	115.03	259.65
Wilkinson	174.91	19.07	70.01	263.99
Worth	102.29	10.06	82.34	194.69
Average for state	183.94	38.95	117.01	339.91

Source: School data - Georgia Department of Education, unpublished data for 1987.
City and county data - Georgia Department of Community Affairs, local government finance database for 1987.

continued from page 11

local option sales tax was used to roll back virtually all of the school levy. Chattahoochee County is largely covered by Ft. Benning and its county government levies no real or personal property tax. More to the point, there is relatively little variation from the 54 percent school district average share: two-thirds of the school districts lie within the range of 42 percent to 64 percent.

In 1987, all Georgia local governments combined received an average $340 per capita from property taxes. School districts averaged $184; cities, $39; and counties, $117. These statewide averages mask substantial within-state variations in per capita amounts. Moreover, when data from Georgia's relatively few large county-units are aggregated with data from its many small units, the situation actually prevailing in a majority of units is hidden.

Table 5 presents per capita property tax receipts, by county, for school districts, cities, and county governments in 1987. In 139 of 159 counties, the per capita school property tax receipts were less than the statewide average of $184; in 43 counties these receipts were less than $100. Likewise, in 139 of 159 counties the per capita combined city-county receipts were less than the average of $156.

OTHER TAX REVENUE SOURCES

In 1987, 95 percent of Georgia school districts' own source tax revenue came from property taxes, the only substantial source of tax revenue in 176 of 186 districts. In ten districts, shown in Table 6, the local option sales tax generated a significant portion of own source revenue.

Table 6

Local Option Sales Tax, 1987

School District	Percent of Own Source Revenue
Atlanta City	8.8
Bulloch County	50.4
Chattooga County	33.0
Colquitt County	47.3
Habersham County	47.3
Houston County	51.1
Mitchell County	37.6
Pelham City	42.9
Rabun County	33.7
Spalding County	21.4
Towns County	74.8
Union County	0.1

Source: Georgia Department of Education, unpublished data for 1987.

SUMMARY

In general, the own source revenue package of Georgia school districts is not substantially different from those of school districts in other states. In 1987, school districts in 38 of the 45 states in which school districts levy direct taxes reported that property tax revenue was 95 percent or more of total tax revenue. (Of course, when one compares school finance items state-to-state, it should be noted that the proportional state-local division of school revenue sources varies considerably from state to state.)

Even though Georgia school districts receive five times as much state aid as cities and counties do, the limited ability of local school boards to tap alternative tax and non-tax resources and the sheer magnitude of the school enterprise mean that school districts will likely continue to receive a majority share of local property tax revenues.

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GEORGIA BUSINESS STATISTICS

SERIES	APR 1990	MAR 1990	FEB 1989	APR 1989
Georgia Leading Indicators Index[1] (1969=100)	177.99	181.09	183.34	179.32
Georgia Coincident Indicators Index[1] (1969=100)	645.88	643.91	645.09	593.29
Nonagricultural Employment[2] (thousands)	3,003.9	3,003.7	2,992.5	2,908.8
Manufacturing Employment[2] (thousands)	564.0	563.3	563.5	565.1
Average Weekly Earnings, Manufacturing[2] (dollars)	364.84	367.24	364.72	356.59
Help Wanted Advertising, Atlanta Index[3] (1967=100)	190	196	212	250
Taxable Retail Sales[4] ($ millions)	3,876.2	4,119.5	3,719.6	3,105.3
Building Permits[5]				
Residential Housing Units, Private (thousands)	3.3	4.5	3.1	4.0
Value of Residential Housing ($ thousands)	242,653	319,472	211,327	263,252
Value of Nonresidential Construction ($ thousands)	189,576	205,068	178,673	166,599
Industrial Buildings	19,496	8,896	8,586	11,860
Office, Bank and Other Professional Buildings	19,239	46,819	25,264	24,880
Stores and Other Mercantile Buildings	48,123	44,035	37,522	27,125
Other	102,718	105,318	107,301	102,734
Consumer Price Index[6] (CPI-U, all items)				
South U.S. (1982-84 = 100)	126.1	126.0	125.4	120.8
South/Population more than 1,200,000[a]	126.8	126.7	126.1	121.4
South/Population 450,000 - 1,200,000[a]	127.4	127.3	126.9	122.2
South/Population 50,000 - 450,000[a]	124.6	124.3	123.9	119.4
South/Population Less than 50,000[a]	125.3	125.0	124.3	119.4
Atlanta (1982-84=100)[b]	127.3[c]	–	–	121.7[c]
Prices Received by Farmers, Georgia Index[7] (1977=100)	136	142	135	135
	1990:I	1989:IV	1989:III	1989:I
Total Personal Income[8] ($ millions)	108,745	105,990	104,320	101,435

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[1] Georgia Economic Forecasting Project, Division of Research, College of Business Administration, University of Georgia. Initial monthly values subject to revision.

[2] Labor Information Systems, Georgia Department of Labor.

[3] Series published by The Conference Board, Inc.

[4] Derived by the Division of Research, College of Business Administration, University of Georgia, from data of the Sales and Use Tax System, Georgia Department of Revenue.

[5] U.S. Department of Commerce, Bureau of the Census.

[6] U.S. Department of Labor, Bureau of Labor Statistics, Southeastern Regional Office.

[7] Georgia Department of Agriculture, Georgia Agricultural Statistics Service.

[8] U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System.

[a] Group size revised as of January 1, 1987; indexes revised to 1982-84=100 base as of January, 1988.

[b] Atlanta index is average of each 6 months of the calendar year; base revised to 1982-84=100 as of January 1, 1988.

[c] Data are for 2nd half, 1989, and 2nd half, 1988, respectively.

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